Rentals Slump in 47 Cities (Page 7)

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

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CANADIAN MINING NEWS DEPARTMENT ON PAGE 14

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The Nation's Business

Hopes High for Parley Success
Results of Lausanne Still Indefinite
U. S. A. Politicians Speed Seaway Pact

Success of Parley Seems Assured

AS LEADING citizens of the Empire assemble from all parts of the world to accept our hospitality for a few weeks, the belief that definite and valuable benefits will accrue from this much-heralded parley, grows apace.

Publication of the conference agenda this week revealed little that was not known or generally surmised, with perhaps the single exception that to the surprise of many, no mention is made of immigration as a subject for discussion. More important, however, is the widely-rumored belief that Prime Minister Bennett has well-nigh decided to take the tariff bull by the horns and is prepared (against the advice of the majority of Canadian manufacturers) to offer very definite and substantial preferences to the Empire and particularly Great Britain in return for wider opportunities in the marketing of Canadian lumber, bacon, cattle, and other primary products within the Empire circle. Current information also indicates that nothing will be attempted in the way of a wheat quota as no plan has been found which would prove of any practical value in assisting Canada and Australia in the marketing of this key crop.

* * *

IN THE realm of currency, opinion crystallizes that some sort of Empire bank will emerge from the Conference and that prospects for the successful introduction of a stabilized Empire currency are very bright.

As The Financial Post has pointed out on many occasions, the obstacles to such a plan from Canada's point of view are very considerable but at least it will be highly interesting to see what success is achieved in meeting these obstacles and smoothing out the very considerable handicaps to trade with Great Britain which now arise through the wide gap in exchange rates and the operation of Canada's valuation and dumping statutes which are designed to offset this. It is said that Great Britain is adamant in insisting that this handicap be removed in some manner or other.

* * *

WHATEVER is achieved in the way of lower tariff barriers and increased preferences, such achievements, desirable as they may be, are of little effect without the "effective preference" which comes by the translating of these rate schedules into actual dollars and cents transactions which have hitherto taken place without the Empire. The fact that many of the leading industrialists in the Empire will make personal contact with Canada and Canadian business men during the next six weeks, should be one of the most valuable features of the Conference.

* * *

Lausanne Dimmed By Gentlemen's Agreement

EARLY hopes that a great burden had been lifted from the world's shoulders by the settlement at Lausanne have been dimmed by subsequent advice that the treaty had been signed subject to a "gentlemen's agreement." This agreement provides that the settlement be not brought into force until satisfactory arrangements with the United States for cancellation of war debts are consummated. Such an agreement is unfortunate not so much because of any effect it may have on the ultimate result, but because the attachment of such a string to what is otherwise a fine constructive achievement, will tend to dissipate its usefulness at a time when clear-cut forward moves are essential to check further financial and economic decay—particularly in Europe.

The history of reparations in the past twelve years discloses that the final settlement of $714,000,000 is roughly 1 per cent of the sum which Allied Prime Ministers at Boulogne decided during June, 1920, that Germany must pay. Even now the payment is conditional on Germany's ability to raise a bond issue of the above-stated sum and no attempt will be made to do this for three years. If the bonds cannot be floated or the payment "capitalized" in fifteen years the whole sum will be written off.

* * *

THIS leaves the leading nations of the world owing the United States on account of the war, a funded debt of 11.5 billion dollars, of which Great Britain owes 4.6

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NOTEHOLDERS SEEK TO BLOCK FRASER PLANS

Protective Committee Active as Final Meeting Approaches

REVOKE PROXIES

Unusual Step Adopted to Gain Further Votes Against Fraser Proposals

From Our Own Correspondent

MONTREAL.—Holders of Fraser Companies issue of $3,000,000 6 per cent notes are massing for a drive to block the plan of reorganization. If they succeed in defeating the proposals put before them at the next meeting to be held July 21 they will block the whole plan since its success depends on approval of all classes of security holders. Noteholders first met on June 30 but the meeting was adjourned for lack of a quorum.

Since the first meeting, events have moved rapidly. Following adjournment an informal conference was held and formation of a protective committee was authorized. This comprised Hamilton Cassels, E. A. Harris, Arthur Jones and W. Weinfield. Since then a fifth member has been appointed to the protective committee in the person of Charles Laurendeau, K.C., a director of the Banque Canadienne Nationale.

Noteholders Voice Protests

Dissatisfied noteholders met again on July 11 in Montreal. At this meeting there was represented about $150,000 of the notes and there were also present several holders of bonds and debentures of Fraser Companies. Considerable opposition to the plan was voiced and it was at this gathering that Mr. Laurendeau was added to the protective committee.

Excitement among the noteholders is at a high pitch. At the meeting on July 21 those present will constitute a quorum so considerable organization work is in progress to get laggard noteholders lined up by the protective committee in an effort to oppose the plan.

Seek to Revoke Proxies

Noteholders are being supplied with legal forms seeking revocation of proxies which may have formerly been signed in favor of the plan. This is thought to be one of the few occasions when such procedure has been adopted. The revocation form calls for signatures before witnesses and must be sworn to before a commissioner of the Superior Court.

So far none of the different classes of security holders of Fraser Companies have passed on the plan of reorganization. Meetings of first mortgage bondholders, debenture holders, noteholders, and Restigouche bondholders have all been adjourned for lack of quorums and at the second meetings those present, under the terms of the trust deed, will constitute a quorum.

Will Vote on Plan

The noteholders meeting will be the first of the adjourned meetings to be held. They are asked to accept new 6 per cent first mortgage bonds of the Restigouche Co. par for par in exchange for their present holdings. At the June 20 meeting there were represented about $1,404,000 of notes of a total of $3,000,000. The protective committee must find 50 per cent of the total represented at the next meeting if it is to be successful.

Opposition is voiced against the fact that the banking group which sold the Fraser securities should be allowed to advance a plan to security holders while they have a dual interest. Senator Wilson, who voiced this sentiment, maintains that the property should be placed in the hands of a receiver until such time as an independent audit can be made of the company's position.

Seek Representation

W. Weinfield, a member of the protective committee, in denouncing the plan of reorganization pointed out to noteholders that bankers ask them to waive priority and to allow the same group to be in control. He feels that noteholders should have representation on the board.

Under the reorganization plan it is proposed to set up a voting trust agreement under which the trustees will hold all the common stock of Fraser Cos. and Restigouche Co.

(Continued on page 2, col. 5)

Highlights of the Week

Events and Topics That Make Articles for The Financial Post This Week

Political Football

U. S. presidential candidates need the St. Lawrence Seaway for votes in the Middle West. Hence all the rush about a treaty. Canada needs a commonsense viewpoint on this colossal undertaking. Nation's Business, page 1.

An American Speaks

Voice of Dr. Julius Klein, assistant-secretary of commerce at Washington is known all over the continent for his Sunday evening talks on business. Last week he gave an American viewpoint on the Empire conference parley. We publish it in full on page 9.

Isle of Sark

Smallest self-governing unit of British Empire has no debt and calls George V, Duke of Normandy. Page 6.

Through the 80's

Canada came through the 80's with flying colors. Another depression story told. Page 10.

Lloyds Licensed

The most famous underwriting group in the world has been licensed for the first time in Canada—by Quebec. It caused a big rift in insurance jurisdiction circles and Ottawa will act. Page 1.

$25,000,000 in Week

That's what Canadian bank stock market values gained in a week. Are they still a "buy?" Detailed analysis of earnings and dividend record with chart. Page 3.

Agriculture Puzzled

Empire parley looms but Canadian agriculture is still undecided as to what it wants from the conference. Page 2.

Steel Houses

Competitive materials in home building are making big strides in other countries. Another authoritative building story by W. J. Jeffers. Page 13.

WOOL INDUSTRY BEST CUSTOMER OF ENGLAND'S

Canadian Mills Increase Output, Employment Protection

1930 DUTIES AID

Field For British Mills in Canada is in Machinery, Dyestuffs, Mercerized Yarn, Etc.

As the time for the Empire parley at Ottawa approaches, Canadian manufacturers of woollens and knit goods become increasingly anxious that Canadian and United Kingdom negotiators alike as well as the general public shall understand perfectly the present situation and the future possibilities. Though the industry is one of the oldest in Canada and buys the major portion of Canadian wool output, it also purchases more in raw materials from the United Kingdom than does any other industry in Canada; it has increased output materially in the last two years since receiving increased protection in 1930 but has maintained with little change its purchases from Great Britain of raw and semi-manufactured materials; and wholly manufactured goods still find their way into the Dominion.

Manufacturers, whose point of view has been sought by The Financial Post, feel that the present duties contribute so materially to Canadian employment that it would be better to maintain the status quo, that this industry has already established a favorable relation with the industry of Great Britain and that most could be done by exploring what further lines the British could develop rather than by displacing workmen now busy in Canadian mills.

British Machines Wanted

In 1931 the woollen industry in Canada bought nearly $6,000,000 of wool, wool tops and yarns out of a total import from the United Kingdom of $109,000,000. With an additional import of $10,000,000 of manufactured woollens and knitted goods, Canada as a whole bought $16,000,000 of woollen goods in all, or 16 per cent of the total imports. This did not include more than $1,000,000 of wool tops imported from other Empire countries—Australia, New Zealand and South Africa. The industry has the distinction of buying from Australia 10 per cent of the total dollar volume of imports by Canada and 20 per cent of the total purchases from New Zealand.

Nor did these purchases include related materials imported from the United Kingdom such as textile machinery, parts for machines, dye stuffs, chemicals, oils and supplies of all kinds. It is said that there is a possibility of increased sales of these materials in Canada. So far as machinery is concerned many Canadian manufacturers

(Continued on page 2, col. 5)

Must Canyon Project Be Finished October 1?

Some Ontario Power Service Corp. bondholders are not convinced that the contract with Ontario Hydro-Electric Power Commission to take 85,000 horsepower on October 1, 1932, will be cancelled if the project is not ready to deliver power at that time. Their claim is that the agreement between the commission and the company only provides for penalties on the company if Hydro's needs are not met at that time and that theoretically completion of the project may be delayed many months without other penalty than the monthly loss occasioned Hydro because its needs are not filled.

Until the actual contract is made public by the Ontario Government, this is a debatable question known only to Hydro, the company and their legal advisers.

CAN. CELANESE COVERS NEEDS IN HALF YEAR

Profits in First Six Months Record Increase

From Our Own Correspondent

MONTREAL.—Progress made by Canadian Celanese Co. in the past two years is being maintained. Sales and earnings for the first half of the current year are reported in excess of the same period of 1931 and plants are working on full time with unfilled orders at a relatively high level.

The company issues no figures on profits during the course of its fiscal year. It is understood, however, that in the first six months of 1932 earnings have approximated $800,000 which compares with total net profits for 1931 of $1,260,449. If this basis of earnings is maintained for the balance of the year outlook for the 1932 fiscal period is encouraging.

Cover Preferred Needs

It is reliably reported that profits are well in excess of preferred dividend requirements after taking care of all charges such as depreciation, etc. In 1931 the company wrote off nearly $242,000 on account of depreciation, while income tax and other deductions accounted for $135,679. A further contingency reserve of $77,612 was provided.

After all these deductions in 1931 net profits applicable to divi-

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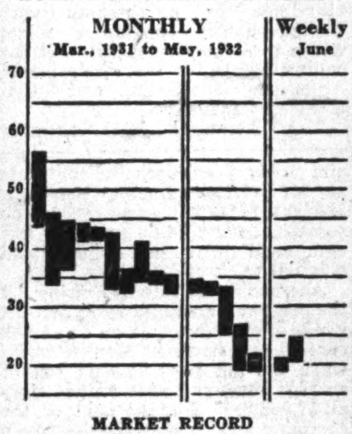
Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD	High	Low
20 Industrial Stocks		
Week of July 12	24.6	20.6
Week of July 5	21.3	19.7
Month of July, 1931	45.8	40.8
8 Bank Stocks		
Week of July 12	161	151
Week of July 5	149	145
Month of July, 1931	231	225
10 Public Utilities		
Week of July 12	40	37
Week of July 5	38	36
Month of July, 1931	72	67

Wabasso Cotton Holds Profits at Former Level

From Our Own Correspondent

MONTREAL.—Final figures on earnings of Wabasso Cotton Co. for the fiscal year ended June 30, 1932, are not yet available but it is understood they will compare favorably with those of the previous year when all charges were covered and a surplus of 5 per cent a share remained on the common stock. Volume of output last year was satisfactory but low selling prices have restricted the margin of profit.

One of the most encouraging features of the year's operations, however, is the improvement which has been effected in balance sheet position. Bank loans which totalled $885,000 at June 30, 1931, are reported to have been substantially reduced, a factor which has tended to lower interest charges. Inventories, also, have been cut to a smaller figure; at the end of the previous year this item was shown at $2,043,148.

Representatives of the company, together with other leading cotton manufacturers in Canada, recently sat in on the conferences held with a delegation from Lancashire. The results of these conferences, which sought to widen the market for British cotton goods in Canada, were not entirely successful.

Raw cotton values are still at a low level. An improvement in commodity prices during the current fiscal year would benefit Wabasso Cotton Co. considerably since all cotton manufacturers have been working against a steady decline in cotton prices over the past two years.

PROVINCE GETS CANYON POWER ON GOOD TERMS

Impending Announcement Expected—Lowest Cost Project Ontario Has Acquired

BUT MARKET LOW

Government Gets Available Power Cheaply — Some Loss Expected Until Market Revives

With bondholders of Abitibi Power & Paper Co., and Ontario Power Service Corp. the financial houses generally and politicians of both camps all agog as The Financial Post goes to press, for details of an arrangement which it is understood has been come to between the Ontario Government and leading bondholders for taking over the Abitibi canyon project, taxpayers in Ontario await announcements with ordinary interest, to know just what sort of deal has been made for the province.

Recent criticism has led many to expect that the province will necessarily get badly trimmed by any arrangement made, and if eyes are fixed too narrowly on immediate returns that criticism might appear to be justified.

Note, however, should be taken of the fact that the province will be taking over a venture which, when completed, will have cost them less per horsepower than any other similar project in Canada, or the world.

Power Demand Falls

It is true that the demand for power has fallen far below what was expected in 1930 when the project was started but those who have faith in Canada's future from a mining standpoint believe that as good times return to the world, reviving activity in prospecting and in developing promising prospects now closed down, will call for most, if not all, the available power. The Financial Post is informed that private capital stands ready to take over the project if the Ontario Government will approve such a settlement and the case therefore simmers down to considering what the annual cost would be to the Government or the Ontario Hydro-Electric Commission if the project is finished by private capital and the annual cost if the project is taken over and finished by the Government.

Gets Good Bargain

If finished by private capital the Hydro-Electric Power Commission would have to pay $13 per horsepower for 85,000 horsepower from October 1, 1932, of $1,105,000, rising to $1,300,000 for 100,000 horsepower by 1936, besides overhead and maintenance on the $2,000,000 transmission line built from Hunta to Sudbury. By spending an amount variously estimated from $3,000,000 to $4,000,000 more the province would secure permanent title to the use of 275,000 horsepower in times of high water and 250,000 horsepower at low water. If it took over the bonds as they stand and had even to pay as high as $5,000,000 to finish the property the cost annually would be about as follows:

Interest on $20,000,000, 5½'s	$1,100,000
Operating expenses est.	238,000
Interest on extra $5,000,000	300,000
	$1,638,000

Thus, for about $300,000 more annually than it would have to pay anyway in 1936, the company would have at least 150,000 horsepower extra or $2 per horsepower before depreciation. If one were to suppose that it will need another $4,000,000 for branch transmission lines here and there before all this power is eventually placed that would, at 6 per cent only, bring the annual increase to $540,000, or a little more than $3.50 per horsepower for the additional power.

Abitibi as Market

There is not, of course, an immediate market for most of this additional power. If Ontario Hydro-Electric can only place 30,000 horsepower at first at $18 per horsepower it would receive $540,000, whereas it is difficult to say how much Abitibi Power & Paper Co. would take for steam conversion. It is absolutely necessary for Abitibi Power & Paper Co. to get such surplus power at a very low figure just as other large pulp and paper companies buy such power very cheap, as it is no use unless the cost is below that of coal. The original estimates of Abitibi Power & Paper Co were that it could take the surplus power in the first year for $1,067,000 and by 1938 for $1,568,500. As it is now far from capacity operations at Iroquois Falls it is apparent that so much could not be expected at first, but if even $750,000 were received from Abitibi that would add to the Hydro revenue in the first year sufficient to pay bond interest at 5½ per cent before operating expenses.

It is likely that the Government plan, however, will show the bondholders sacrificing some part of their return. The Government therefore will be in possession of a very valuable property when considered with a view to its potentialities and would have been if it had taken over the bonds as they stand. As to a market for power from Abitibi Power & Paper Co. it is probable that a receiver would have entered into an arrangement for buying this surplus power if a reasonable arrangement could be made, because it would be helpful to the company. A receivership might result if in-

(Continued on page 2, col. 1)

Far-Reaching Plan Presented to Ottawa By Lumber Industry

After Weeks of Deliberation, Empire Policy Has Been Formulated by Canadian Interests and Recommended to Bennett

URGES EMPIRE RATIONALIZATION

Freight Subsidies May be Sought for Interior Mills While Comprehensive Plan for Linking Tidewater Plants to Empire Market is Proposed

From Our Own Correspondent

OTTAWA.—Following weeks of consultation and negotiation, the Canadian lumber industry has formulated an Empire policy for lumber and presented it, in the form of a recommendation, to the Bennett government. It is hoped that the Bennett government will adopt this policy, will press vigorously for its acceptance at the Imperial Economic Conference.

The new policy arises out of two circumstances. In the first place the Canadian lumber industry desired to go on record with respect to a proper policy for the Economic Conference. In the second, the United States government, not long ago, raised the tariff on lumber by $3 per thousand feet, thereby severely crippling many Canadian lumber mills.

Seeks New Markets

The Canadian industry must now look for new markets. It is conceded that if present United States markets are to be held, the producers must absorb the full additional tariff, thereby impairing seriously their ability to operate profitably.

But the framing of a national and Empire lumber policy has proved to be difficult and the leaders of the industry have been in the capital, working on it, for more than three weeks, and will probably stay on until the conference is concluded.

Is Official Secret

As to the policy that has been recommended, all details remain secret. The policy has been presented to the cabinet, but no publicity has been given to it either by the lumbermen or the cabinet ministers. It is possible, therefore, to discuss it only unofficially. The following detail, however, is believed to be essentially accurate.

Conceding that the increase in the United States tariff is a severe blow to the Canadian industry, the lumbermen have turned their eyes to new markets. Naturally, these are to be found only outside the North American continent. It follows, inevitably, that new export markets will be served from Canadian ocean ports and that the lumber mills operating close to tide-water will have a distinct advantage over interior mills.

May Urge Freight Subsidy

The lumbermen agree that interior mills in Canada have been hit very hard and they consider it doubtful if much can be done for them in the way of opening up new outlets. There probably is a suggestion in the policy recommended to the cabinet that state assistance in the way of a freight rate subsidy be given to industries fairly close to tide-water in order to enable them to reach world markets. Such industries would include those in the interior of British Columbia but would scarcely reach those in Manitoba, Saskatchewan and northwestern Ontario.

The mills in the Maritimes, Quebec and eastern Ontario and along the British Columbia coast line are much more advantageously placed. Here the proposed policy holds definite promise of larger export markets for Canada. The lumbermen propose, in effect, to rationalize the lumber industries of the Empire. The lumber resources and the lumber requirements of the United Kingdom, the Dominions and the colonies have been analyzed carefully and a clear cut proposition has been worked out.

New Rationalization Plan

In the main, Canada possesses an overwhelming proportion of the soft woods in the Empire, Australia, Rhodesia, Kenya, South Africa and, to a lesser extent, New Zealand, possess very valuable hardwoods. The United Kingdom, virtually, imports all her lumber requirements.

Given a good tariff preference, therefore, Canada would capture the British softwood trade, plus the softwood markets of the other Dominions. If this were accomplished the net result would be to compensate Canadian mills (located near tide-water) for the loss of the United States' market and to enable them to produce roughly twice as much lumber as they are producing today. This could be done without erecting new plants or adding to additional capacity. Even if prices continued on present levels, this would place the Canadian lumber industry on its feet.

On the other side of the ledger, the lumbermen would divert present imports of hardwoods from the United States to the Antipodes, South Africa and other Empire countries. In addition, the Canadian mills would confine their purchases of machinery, steel rope, etc., to Great Britain.

It is even possible that Canada, under such an arrangement, could build up a secondary hardwood industry, importing the wood in the log, milling and finishing it in Canada. A proposal to bring hardwood logs from Australia to British Columbia has been under investigation for some time and is a distinct possibility if any Empire preference results from the Conference.

It would remain for the Federal government to assist exports by enlarging shipping subsidies in such a way as to attract suitable tonnage to such routes as Vancouver to the Antipodes, Vancouver to the British Isles, the St. Lawrence and the Maritime ports to the British Isles, South Africa and so forth.

At the moment there are subsidies in effect on the run to Australia and from the St. Lawrence to the Old Country, but this subsidy is paid to boats which are not very suitable for the lumber trade. On the run from Vancouver to Britain, there is no subsidy at present, although the United States pays a substantial subsidy from Pacific coast ports to Great Britain, thereby enabling the Washington, Oregon and California lumber mills to make headway in that market.

Serious Obstacles in Way

The Canadian lumber industry realizes that there are serious obstacles to be overcome before this policy can be adopted. Take the British market. At present it is served by Russia, the Baltic states and, to a lesser degree, by the United States. Something approaching an embargo against Russian softwoods would be necessary to divert the trade to Canada. A moderately high tariff probably would be enough to oust the Baltic States and the United States from the market.

Will Great Britain agree to turn her lumber market over to Canada and the rest of the Empire? This is the question that is worrying the Canadian lumbermen. It is thought Britain might do so if a reasonable bargain can be struck. Canada has to offer a considerable volume of iron and steel purchases, made by our lumber industry. But in addition there is a substantial import of British anthracite coal and it is hoped the Bennett government will use this as a lever (nothing pugnacious or unfriendly is intended by the phrase) to open the door to Canadian lumber.

It is realized, also, that the government has been working for months to line up new markets in Canada for British goods. The lumbermen, of course, have had no part in this work, but have requested the government not to overlook their interests in the Conference negotiations.

Western Wheat Experts Report Against Preference

From several sources The Financial Post is informed that wheat farmers of Canada are beginning to doubt the value to them of a preferential arrangement with Great Britain whether that preference is assured to them by quota or by duty. Great Britain's consumption of wheat for the purposes of her own people was only 200,000,000 bushels of wheat last year and of that it divided its purchases almost equally among Canada, Argentine, Australia and a fourth group made up of other countries.

Canadians imagine, it is said, that the United Kingdom buys much more Canadian wheat than is actually the case because Canadian export figures do not distinguish between what is bought for British use and what is bought by English buyers for use in other countries. After careful study it is claimed that leading wheat experts of Western Canada have come to the opinion that Canada stands to gain more in the end from keeping the trade in wheat as mobile and free from duties as possible. They state that if Canada shuts out Argentine wheat in Great Britain, for instance, as a result of an arrangement made at Ottawa, the Argentine wheat would only prove that much more competitive in other foreign markets where Canadian wheat has hitherto had a market.

The quota system in England has not given unalloyed satisfaction and it is believed that earnest thought has been given at Ottawa to other ways of forwarding the interests of the farmer. In this it is believed that the British delegation are inclined to lend their assistance.

OTTAWA MOVE ON LLOYDS NOW CERTAIN

Licensing of Famous British Group Splits Insurance Jurisdictions

TWO COURSES OPEN

Further Parley With Provinces or Direct Prosecution of Lloyd's Imminent

From Our Own Correspondent

OTTAWA.—The truce in the constitutional battle between the Dominion and the provinces for control of the insurance business has been broken by the action of the Quebec Government in licensing Lloyds, non-marine underwriters to do business in that province.

Lloyds, of course, is a British company. Under the Quebec license it will operate without making any deposit at Ottawa, without obtaining any authority from Ottawa, to do so. On both points it will contravene directly the 1932 Federal enactment governing British insurance companies.

Ottawa Will Act

That the Federal Government, in due course, will take steps to enforce the Federal statute, to compel Lloyds to comply with it, goes without saying. Whether these steps will take the form of direct prosecution or of negotiations with the provincial governments is not yet clear. Decision may not come until after the Imperial Economic Conference is over, although, despite the burden of conference work, the cabinet is fully appraised of the matter, has already considered it.

Ottawa's viewpoint is that Lloyds has been licensed by Quebec as a direct challenge to the new statute governing British companies. It is Quebec's answer to the effort of Federal law officers, insurance counsel, distinguished legal luminaries in the cabinet (including Rt. Hon. Arthur Meighen) to repair the gap in Federal jurisdiction made by the Privy Council last autumn.

Affects Only One Act

Already the wisdom of the course followed by the government, upon the advice of these distinguished lawyers, has been made evident. Formerly the Federal insurance law was all embracing. All companies were dealt with under one statute, and if the statute were weak at any point, the whole of it fell. Last session, the insurance law was split into three separate and distinct enactments. One statute dealt with Canadian companies, another with alien companies and a third with British companies. Therefore the present dispute will imperil but one of the three statutes.

It is conceded here that Quebec has acted with wisdom. The license granted to a British company attacks the new Federal laws at their weakest point. Few doubt that the new statutes bearing on domestic and alien companies will stand up in the courts, but there is some doubt if the law in regard to British companies is equally as sound. Therefore, Quebec has chosen her constitutional ground with a sound sense of legal strategy.

Two Courses Open

Just how Ottawa will checkmate the move remains to be seen. In all probability, however, one or two courses will be followed. All three 1932 statutes contain a provision empowering the Federal Government to confer with the provinces and to change the existing laws by order-in-council to conform with any agreements reached as a result of such conferences. Ottawa, therefore, may decide to invite Quebec and the other provinces to a round table constitutional discussion, seeking common agreements.

Many lines of discussion have been suggested but the most probable is that the provinces and the

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Lack of Unanimity In Agricultural Brief

From Our Own Correspondent

OTTAWA.—Despite every effort of the Federal Department of Agriculture to bring about a measure of unanimity in the representations being made to the government by the agricultural industry in regard to the Imperial Conference, the record at Ottawa shows the widest possible variation of opinion.

For some months the farmers of Canada through their many organizations have been setting their opinions before the tariff committee appointed by the government to compile Canadian views. The representations, in fact, are not yet complete. This Saturday will see a large delegation of farmers here from Ontario to present a memorandum to the committee and to interview the government. It is thought probable that there will still be farmers' organizations to be heard from when the committee closes its books and sums up Canadian opinion on the tariff.

So far, the agricultural industry has expressed itself with baffling diversity. From the West have come representations for lower tariffs and freer trade. From the East have come requests for lower tariffs against Canadian farm produce entering the British market, but at the same time there have been requests that existing Canadian tariff against Empire butter be retained.

There have been so many representations and of so varied a character that it would be impossible to summarize them.

As a whole it may be said that the agricultural industry has opposed tariff concessions by Canada that might injure domestic producers, and has asked for preferences in outside Empire markets that might benefit domestic producers.

PROVINCE GETS CANYON POWER ON GOOD TERMS

(Continued from page 1)

terest on bonds is not paid before August 1 on Abitibi bonds. There is a protective bondholders committee already considering every angle. This committee may have views to express with regard to the province taking control, as the common stock holding of Ontario Power Service Corp. has potential value.

Power Corp. Would Buy

Nesbitt, Thomson & Co., because of the large stake of Canada Northern Power in Northern Ontario, has been very close to negotiations recently, and it is understood that Power Corporation would gladly take over this project if suitable arrangements could be made. Large bondholders, however, have refused to go seriously into negotiations with any outside interest until the Government's attitude is fully disclosed. The Financial Post is informed that every possible angle has been explored by chief bondholders interested, and that the latter consider that a protective committee would have been formed at any time if these interests had considered the situation to demand it. Unofficially the subject has received continuous attention for seven months.

The fact that the Abitibi canyon power project has been closed down by the contractors, Dominion Construction Co., because of the unemployment involved, has brought the necessity for a decision some way or other to fever heat. So far as completion is concerned, The Financial Post is assured that no vital interest is at stake.

Market Hopes Run High

There have been so many hitches in negotiations in the last three months that it would surprise nobody if some unforeseen obstacle were to develop at the last moment. They have acquired a habit of cropping up at unexpected times and no arrangement can be considered completed until it is signed, sealed and delivered with all parties consenting. Market hopes run high as bonds have risen into the 60's.

One interesting point brought up by a bondholder has received serious consideration. He contended that if the Government expected the revenue to grow slowly in the first few years they might take an average of the estimated revenue for the next 17 years and give a fixed interest provincial or Hydro bond at this rate. He thought that 4½ per cent would be fair on the basis of 3½ per cent from January 1, 1933, to July 1, 1937, 4½ per cent from January, 1938 to July 1, 1945 and 5½ per cent from June 1, 1946 to July 1, 1950. He urged that bondholders have already supplied considerable money by not getting interest on July 1. He also felt that these figures represented minimum earnings over the whole period and that actual results might well be much better.

Income Bond Not Final

If the Government gives an income bond for a period the matter would have to be dealt with again in a few years in his opinion. He also states that the Ontario Government would only be able to get $16,000,000 for $20,000,000 of 4½ per cent bonds if it were to build the project now whereas $18,000,000 was made available from the present bond issue. Even supposing an extra cost of $4,000,000 for transmission lines as well as $4,000,000 to complete the 250,000 horsepower project, the total cost would be less than $100 to the Ontario Government as compared with an average of other Hydro projects of $281 per horsepower and Quebec's average private ownership horsepower investment of $189 per horsepower.

As to potentialities bondholders point out that Canada Northern Power with sales of 106,480 horsepower available at present rates would have a net income per horsepower of $20 per horsepower. That company has taken up the best accounts on permanent contracts but new business may come from developing mines.

Oyster Culture Makes Headway

In Bideford River, Prince Edward Island, where oyster culture has been carried on by the Dominion Department of Fisheries for two or three weeks past, there are now estimated to be sufficient oysters to fill several thousand barrels. A good many of them will be of proper size for sale this year.

The Nation's Business

(Continued from Page One)

billion and France 4 billion. Italy owes the United States on the same basis, 2 billion dollars. Similarly, Great Britain is owed by allied nations on account of war debts (excluding Russia) approximately 5.5 billion dollars, of which France is the chief debtor with roughly 3.5 billions of dollars owing. Italy is next with one and a quarter billions outstanding.

Rapid action by the United States to settle the matter once and for all, is apparently a vital necessity if any immediate good is to come from Lausanne. With presidential elections in that country only a few months away the prospect of such an eventuality seems remote. But until something definite materializes in that direction economic recovery will certainly be retarded.

Common Sense Needed on Seaway Treaty

THE cool way in which political leaders at Toronto and Ottawa are planning to add several hundred millions of dollars to Canada's public debt through the medium of the St. Lawrence Waterway project, must be a source of amazement to serious-minded Canadians alive to the staggering pyramid of debt burden now carried on none too robust shoulders. Publication of correspondence between Hoover and Roosevelt last week, which reveals that treaty plans are on the verge of completion, has again brought this matter into the public eye and Premier Henry of Ontario has publicly stated that his province and the Ontario Hydro-Electric Commission between them must be prepared to pay between $105,000,000 and $110,000,000 toward the cost of the waterway and its related power works. In addition, another $100,000,000 at least is mooted as the cost of work in the international section of the river which is to be in charge of a joint international commission, according to present plans.

Admittedly there will be time for mature consideration of these collossal plans once the treaty is thrown into the parliamentary ring, for in light of past experience it is improbable that representatives of the Canadian government will commit themselves on the treaty until ratification is obtained from Parliament and Congress. Complete details will then be available as to the estimated cost of the entire project and Canada's share therein, and public opinion throughout the Dominion will have an opportunity to crystallize. Nevertheless, with financial bankruptcy already threatening two monster incompleted power projects in Ontario and Quebec—projects which if they are consummated will only add vast outputs to an already surfeited power market—it is almost unbelievable that so little concern should be felt toward a contemplated expenditure of this magnitude.

* * *

FROM the United States point of view there is little question that the St. Lawrence Seaway for the time being is merely a political vote-catcher. Hoover may have "ardently advocated" the seaway for ten years (as he reported in his telegram to Roosevelt) but at the moment he dare not face the Western States as presidential candidate without waving a seaway pact in his hand. That is undoubtedly the primary reason why negotiations with Canada have been so considerably speeded up in recent months.

Roosevelt, on the other hand, as Democratic nominee, has come out openly in favor of completing both the St. Lawrence Waterway and the Erie canal scheme in his own state, which gives some indication of the small place which sound economics holds in his advocacy.

Apart from the political aspect of the U.S.A. viewpoint there is, of course, a very substantial body of opinion in favor of the project in that country, but the point that is of importance to Canada is that political rather than economic considerations are uppermost in the minds of its promoters in the United States which is responsible for all that has happened since the breath-taking announcement last October that a seaway treaty was impending. Prior to that date the possibilities of a treaty had been as remote as at any time in the past ten years.

* * *

FROM the Canadian viewpoint, the arguments against consideration at the present time are so important, economically, that they need scarcely be repeated. There has never been much support in Canada for the seaway except in Manitoba and Ontario and the prospect of adding a $500,000,000 outlet over which all-comers may navigate free of charge, to compete with our sorely-taxed rail system, is hardly a proposition to recommend itself to sound-thinking citizens at the present time. Then, too, the surfeit of power which has developed in Eastern Canada in the past year has altered very materially the arguments in favor of the project as a power producer.

At least a thorough airing of the whole matter will not be long delayed now.

MEXICAN LIGHT NET IS LOWER DUE TO TAXES

Added to Surplus After Paying Half Year's Dividend on Preferred

Gross earnings of Mexican Light & Power Co., and its subsidiaries, declined but little in 1931 although net income from operation dropped 10.13 per cent from the 1930 level. While expense of operation was slightly higher, maintenance, taxes and depreciation increased by 9.34 per cent. Net earnings available for bond interest and sinking funds is shown at $4,000,302 compared with $4,638,450 the preceding year and after payment of these charges and a semi-annual dividend on the 7 per cent preference and the 4 per cent second preference shares, $185,614 was added to surplus.

The consolidated income and surplus account of the company for 1931 and 1930 is as follows:

CONS. INCOME AND SURPLUS ACCT.
Years Ended December 31

	1931 $	1930 $
Earnings from oper.:		
Light and power:		
Fed. & munic. govt.	1,356,936	1,320,532
Private & commer.	10,522,149	10,586,000
Miscellaneous	73,813	59,603
Gross oper. earn.	11,952,898	11,966,135
Less expenses:		
Operation	2,977,896	2,963,468
Main., taxes & depr.	3,754,700	3,193,748
Net oper. earn.	5,220,302	5,808,919
Less: Add. res. for depr. & other exps.	1,724,619	1,580,508
Add: Inc. fr. investa.	84,240	65,088
Misc. inc.	549,737	484,252
Total net inc.	4,129,662	4,777,746
Less: Admin. & gen. exp.	129,360	139,296
Total net earn.	4,000,302	4,638,450
Less: Bond int.	2,651,601	2,618,751
Sinking funds	839,087	854,087
Net profit	509,614	1,165,612
Less appropriations:		
First pref. divds.	210,000	420,000
Second pref. divds.	114,000	228,000
Surplus for year	185,614	517,612
Add: Prev. surp.	2,532,963	*2,015,350
Bal. carr. forward	2,718,577	2,532,962

*Includes surplus of Toluca Electric Light and Power Co.

Directors will continue to defer payment of preferred dividends which were discontinued in the latter half of 1931 because of the change in the Mexican monetary system and the drop in value of the peso, uncertainty of exchange, imposition of special taxation and necessity of conserving the company's position. The working capital position of the company has been improved with current assets up to $4,008,080 from $3,800,950 and current liabilities down to $1,376,687 from $1,723,894. Cash on hand has increased to $1,784,110 from $1,236,238.

Capital account is carried at $96,418,891 of which $1,155,806 is cost of investments in, and advances to, subsidiary companies. Properties, plant and equipment, etc., are carried at $69,438,417, an increase of some $1,500,000, while rights, franchises, etc., are carried at $25,824,668. Accounts for supply of light and power to the Mexican government, Federal, State and Municipal, have increased to $6,103,488 from $5,731,238 and no progress has been made in the collection of these accounts.

MEXICO TRAMS EXPENSES DOWN LOSS IS HIGHER

Labor Troubles, Exchange Problems, Make Year More Difficult

Mexico Tramways and its subsidiaries, ended 1931 with net operating loss of $300,792 compared with a loss of $336,154 in 1930 but loss on exchange and sundry adjustments amounted to $342,964 against $84,731 in 1930 and income from investments was lower, so that after provision for bond interest the company had a loss of $334,894 for the year. Gross earnings declined by 6.27 per cent and operating expenses were reduced by 7.98 per cent.

During the year the company was obstructed by adverse legislation relating to labor and taxation but was awarded $2,500,000 in Mexican national gold on claims for damages arising from government operation of its properties from 1914 to 1919. The award did not state how or when the amount is to be paid.

Income and surplus account of the company for 1931 and 1930 is as follows:

CONS.§ INCOME AND SURPLUS ACCOUNT
(Prepared in accordance with the reorganization agreement dated May 30, 1921)
Years Ended Dec. 31

	1931 $	1930 $
Car earn.	4,594,258	4,913,678
Misc. earn.	65,639	58,192
Gross oper. earn.	4,659,897	4,971,870
Less expenses:		
Operation	3,285,047	3,570,052
Maint., taxes & depr.	1,675,643	1,737,972
Net oper. earn.	*300,792	*336,154
Less: Exchge. & sdry. adjust.	342,964	84,731
	*643,756	*420,885
Add: Net inc. from invest.	°1,053,239	1,189,273
Misc. inc.	....	9,974
Non-int. notes of Mex. L. & P. red.	415,000	560,000
Total net earn.	824,483	1,338,362
Less: Admin. & gen. exps.	116,344	116,175
Int. on loan	69,862	7,719
Total net inc. applic. to fix. chgs.	638,277	1,214,468
Less bond interest:		
Ferrocarriles 8%	240,000	240,000
Mex. Elec. Tram. 5% "A" debs.	78,986	81,772
Mex. Tram. Co. 5% gen. mtg.	514,900	514,900
Less sinking funds:		
Mex. Elec. Tram. 5% "A" debs.	36,305	33,750
Mex. Tramways Co. 5% gen. mtg.	102,980	102,980
Net profit	*334,894	†241,066

§Including Mexico Tramways Co. and wholly-owned subsidiaries. †Contributed toward meeting capital expenditures in accordance with the terms of the reorganization agreement. *Loss. °After writing down Dominion Government and other securities to market value by an amount of $141,500.

The balance sheet shows current assets down to $3,104,121 from $3,181,161 and current liabilities at $341,414 compared with $1,008,859 in 1930. Sinking fund investments are up to $734,654 from $590,319. Mexican Light & Power Co. non-interest bearing notes and accrued bond interest are carried at $1,535,825 while claims against and debts of the Mexican Government are down to $1,593,969 from $1,886,104. Investments in subsidiaries are carried at $23,205,950; properties, plant and equipment, at $18,199,461 and rights, franchises and contracts at $10,270,194. During the year $703,000 Mexican was spent on capital account while property and equipment retired had an estimated original value of $731,071.

Accrued bond interest owing by the company amounts to $3,546,334 while interest payable on the 6 per cent 50-year bonds of Mexico Tramways Co. but payable only out of surplus revenue totals an additional $7,468,265. Funded debt of the company and its subsidiaries totals $19,952,812 while there is a loan of $1,375,765 secured by Ferrocarriles first mortgage debentures. Capital stock is carried at $20,177,000. Reserve for depreciation and amortization totals $7,518,968 from which is deducted $3.725,071 representing losses by the company in the seven years ended Dec. 31, 1931.

CAN. CELANESE COVERS NEEDS IN HALF YEAR

(Continued from page 1)

dends were $805,165. A full year's distribution on the preferred stock required $630,000 so earnings on the preferred were equal to $8.95 a share. Out of surplus $150,000 was written off for market depreciation of investments; a balance of $1,730,478 was brought forward into the current year.

Cash position is understood to have been well maintained to date. The last balance sheet showed no bank loans and a working capital of $3,003,277 with current assets of $3,306,695 equal to over 10 times current liabilities.

Demand for celanese goods continues strong. Public favor has veered away from cottons in recent years and despite the cheapness of real silk, manufacturers of artificia silks have been able to consolidate their strong market positions. They have developed new designs and materials which, they claim, stand on their own merits, and do not compete with real silk materials.

Canadian Celanese is reaping the fruits of a well-directed selling campaign carried out in recent years and is alert to introduce new types and designs exclusive to the Canadian market. The plant at Drummondville is self-contained with equipment installed to carry out the manufacture of celanese from the raw cotton linters to the finished product.

Selling Domestic Market

Companies manufacturing artificial silk and celanese goods are in this way obtaining a larger share of the domestic market than was the case formerly. In addition they have been helped by tariff adjustments which allow them greater protection than they had prior to 1930.

Figures on imports of artificial silk indicate the broadening out of domestic production with a corresponding shrinkage in imported goods. For the 12 months ended May 31, 1932, imports of all artificial silk were valued at $4,240,000 or less than half the total for the same period in the previous year when imports were $10,625,000.

Imports of yarn in the year ended May amounted to 1,160,109 pounds against 2,706,709 pounds in the previous year. Fabrics imported dropped from $7,181,010 to $2,974,582 in the 12 months ended May, 1932. Socks and stockings of artificial silk particularly have shown a drop in imports. In the 12 months ended May, 1931, these articles were brought into Canada to the extent of 252,046 dozen pairs with a value of $475,000 whereas in the year ended May, 1932, the figure was 5,579 dozen pairs with a value of $19,259.

These figures indicate that a large share of the market previously supplied by imported goods are now sold by Canadian Celanese and other artificial silk manufacturers in Canada. There is only one other, as a matter of fact, and that is Courtaulds Canada, which is engaged in the making of rayon.

Yarn Sales Gain

Sales of celanese yarn have increased substantially. Cotton and real silk manufacturers have taken advantage of the trend of public opinion toward celanese material to install equipment for weaving celanese yarns into materials; Dominion Textile Co., the largest cotton company in Canada, is also the largest purchaser of artificial yarns in the Dominion.

Though earnings of Canadian Celanese are sufficient to cover preferred dividends, the stock is still $29.75 a share in arrears. The first payment on the preferred was made in December, 1930, and has been maintained regularly since then at an annual rate of 7 per cent; the stock, however, is cumulative from 1926.

No official announcement has been forthcoming regarding liquidation of these arrears except the single statement that they would be taken care of as soon as possible. It is possible that Canadian Celanese will build up its cash position still further before the management takes action in liquidating the arrears on the preferred.

NOTEHOLDERS SEEK TO BLOCK FRASER PLANS

(Continued from page 1)

Trustees proposed are the following: J. A. Ewing, K.C. and I. W. Killam, of Montreal; Col. Robert F. Massie and R. S. Waldie, Toronto; and Howard P. Robinson of Saint John.

This would be a self perpetuating trusteeship and could not be dissolved until the net working capital of Fraser Cos. shall amount to $3,500,000 at the time of dissolution or by action of the bondholders.

WOOL INDUSTRY BEST CUSTOMER OF ENGLAND'S

(Continued from page 1)

have tried hard to buy in England against considerable discouragement. They have been well satisfied by purchases made there but in this and other lines they find the British manufacturer unwilling or unable to sell because of understandings or agreements with United States companies under which the latter companies get the selling rights for the whole North American continent and that includes Canada.

The Financial Post recently heard an instance of an attempt made by a Canadian manufacturer to buy a new spinning machine invented in England two years ago but though he went to England personally to buy the machine he could not buy it because of the arrangement made with the United States manufacturer. Another carpet manufacturer found himself unable to get carpet fringes in England for the same reason.

The existence of quotas is suspected by Canadian manufacturers in connection with dye stuffs as well. They find it difficult to get more than a certain quota from the British Isles and they must fill the remainder of their needs from the United States or Germany.

Sold Three Months Ahead

Mercerized yarn for hosiery purposes is not made in Canada but a Canadian who recently tried to buy from a British mill found that he could not get what he wanted because the British mill had its output sold for three months ahead. Canada takes about $1,500,000 of this annually.

These cases are cited to indicate that there are lines which the British could push to advantage in Canada under present conditions. In addition, the industry bought from Great Britain 800,000 pounds more worsted tops in 1931 than in 1929 and came within 1,000 pounds of the 1929 total for worsted yarns. The first five months of 1930, 1931 and 1932 found Canada taking of British exports respectively 14.5 per cent, 12.4 per cent and 13.8 per cent of the total exports of woollen and worsted cloth, and this in spite of the increased Canadian tariff. So far as the Canadian market for cloth is concerned, it is said that Canadian mills obtained 48 per cent of the local market, foreign countries 14 per cent and England 38 per cent.

Employment Grows

As a result of the protection afforded in 1930 it is stated that more worsted and woollen clothing was made in Canada than was imported from Great Britain, and that this condition obtained for the first time in 32 years. Worsted cloth increased 21 per cent and woollen cloth 40 per cent. A substantial gain in workers employed and hours of work given was shown, and this is of great importance in an industry where labor accounts for 60 per cent of the cost in spinning the yarn. Production and hours of labor increased about 25 per cent in 1931.

Production of hosiery gained by 12,000,000 pairs in 1931.

Mills of the industry are in 140 municipalities and 72 per cent of the establishments are in places with population under 25,000. Employment has been widely spread as a result of the increased output and the companies have made great progress in meeting demands for increased varieties in style in socks, stockings and cloth. Quality has conspicuously improved in manufacture of overcoatings, and worsteds. Price has declined in line with lower raw materials and lower general business levels.

Use More Canadian Wool

Improved marketing and preparation of Canadian wool has brought increased utilization by the industry. Seventy Canadian woollen and knit goods mills bought more than 60 per cent of the total Canadian wool sold for further manufacture. This does not include between four and five million pounds that never gets into the industry but is consumed in home industries. About 20 per cent of the wool is taken by the farmers to small customs mills where blankets, and homespun socks and stockings are made increasingly in a time of business depression. In 1930 sales of Canadian wool were not so high as in 1931 when it was first offered to the mills as scoured wool or wool tops, the only purchases made by some Canadian mills. A second reason for the larger use of Canadian wool is that the woollen cloth for which it is suitable increased in yardage 40 per cent. The duty placed on Argentine wool also had an effect in causing larger purchases of Canadian wool.

England's Best Customer

Canadian wool has a long way to go to displace foreign imports of wool. Total Canadian wool bought was 20,000,000 pounds including 5,000,000 pounds used for home industries whereas consumption is 90,000,000 pounds.

To sum up, Canada in 1931 was England's best customer for wool tops bought; she was England's best customer for worsted cloth; she was England's best customer for woollen cloth; she was the second best customer for yarns, Germany being first; and in addition Canadians bought more woollen socks and stockings from the United Kingdom than from any other country in the world outside Canada. All these statements apply equally well to 1931 and the first five months of 1932.

OTTAWA MOVE ON LLOYD'S NOW CERTAIN

(Continued from page 1)

Dominion pool their legislative jurisdiction (doing so by statutes) and set up a common insurance administration. This is pretty much what has been done with regard to grading of agricultural products, also with regard to the Industrial Disputes Act. One defect of such a solution is that changes in the administration, once it has been set up, are difficult to obtain and, in any event can be achieved only after a long delay. If an insurance department was created jointly by the Dominion and, say, six of the provinces, it would be necessary to have separate enactments by all seven parliaments in order to modify the existing administrative machine.

Other Course to Prosecute

The other course is to prosecute Lloyds and take the new Federal statute into the courts for decision. If this is done the Dominion will have to rely upon the argument that the British North America Act confers all residual constitutional power upon the Dominion and that insurance falls into this category, and, also, upon the exclusively Federal jurisdiction over trade and commerce.

If the Dominion decides to prosecute, the result will be a constitutional case of great importance. The ordinary insurance companies, life and others, will, it is believed here, almost certainly join the Federal Government in defending the existing statute, thereby placing the provinces at a greater disadvantage.

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Listed Bank Stocks Attract Investors By Recent Flurry

Market Values Up $25,000,000 Following Rumors of Proposed Affiliation Between Barclay's of Canada and Another Bank

INCREASES HELD DESPITE DENIAL

Present Prices Assure Better Yields Than at Any Time in the Market History of Canadian Bank Stocks With the Exception of Past Few Months

Street rumors of a proposed affiliation between Barclay's Bank (Canada) Limited and one of the large Canadian banks created keen interest in the listed Canadian bank stocks during the past week and resulted in a general bullish movement in these securities. This general price increase has been maintained despite the fact that Rt. Hon. R. L. Borden, president of Barclay's Bank (Canada), later denied all knowledge of a proposed affiliation.

Rumors that plans for establishment of an Empire bank had progressed materially and that the project was in a fair way of becoming a fact are also stated in some quarters to have affected bank stock prices. If such a bank were established and were accompanied by some form of Empire currency stabilization, it would have the effect of increasing the premium on United States funds and would therefore benefit banks which have large deposits in that country. According to the latest bank statement, however, the amount of money held by Canadian banks abroad has been materially reduced during the past year.

Many investors who have had under consideration the purchase of Canadian bank stocks will be interested in the current movement and the possibility of it being maintained until bank stocks return to the position they occupied prior to 1927 when they sold on a yield basis similar to high class bonds.

Average Yield Very High

From an investment standpoint there never was a time in Canadian history when bank stocks offered investors such an attractive yield. Based on the closing prices of July 9, 1932, the average yield of the eight listed bank stocks was 7.75 per cent. Individual yields varied from 6.3 to 8.7 per cent. This compares with an average yield of 5.8 per cent at the same date of 1931, an average of 4.7 per cent on July 8, 1929, and an average of a little over 5 per cent in prior years.

This high yield naturally raises doubts in the minds of investors as to whether the present dividends being paid by Canadian banks will be maintained. Three quarterly payments have been made on the shares of Bank of Nova Scotia and Dominion Bank and the final payment for the fiscal year is payable October 1. The final payment on Imperial Bank stock is payable November 1 to holders of record September 30. All the other banks have paid two dividends this year, the others being due on September and December 1. Dividends are usually declared about six weeks before the date payment is due.

While it would be unwise to predict what will happen during the next six months there is little question that Canadian banks will do everything possible to maintain their record of uniform distribution to shareholders. It is not beyond the realms of possibility that if any scaling down of dividends were to take place the banks might act uniformly in the matter as they did last year in the matter of curtailing bonus distributions.

Pass Through Difficult Period

Canadian banks have undoubtedly suffered during the past few years owing to depressed conditions just as they benefitted during the boom period but, while a considerable amount has been written off as lost and more will have to be so treated, latest statements show that earning power has not been severely curtailed. Losses which have been taken have not been sufficient to affect the eminently sound position of the banks and there is no reason to believe that future losses will have a different result. The ultimate possibility of the double liability feature of Canadian bank stocks becoming a reality, probably wields an indirect effect on prices of this first-rate group of securities in times of depression.

According to bankers, earning power is temporarily reduced mainly owing to lack of a market in which to loan available funds and this statement is borne out in the monthly bank returns which show a much heavier proportionate falling off in loans than in deposits as compared with more prosperous years. Over a period of years, however, earning power as reflected in the annual profit and loss statements has remained remarkably constant as shown in the following table:

EARNINGS PER SHARE ON CANADIAN BANK STOCKS
(After Reserve for Depreciation and Taxes)

	1915 $	1920 $	1925 $	1928 $	1929 $	1930 $	1931 $
Nova Scotia	18.77	24.00	21.38	21.36	22.61	16.83	17.17
Montreal	13.18	14.40	15.35	15.87	15.95	14.61	12.43
Royal	16.50	17.43	16.73	16.50	17.53	16.09	12.71
Commerce	15.68	16.53	17.44	13.05	13.48	14.18	13.08
Dominion	14.51	22.45	19.28	16.36	14.83	14.71	13.01
Imperial	14.73	19.70	15.94	11.56	15.02	13.92	12.98
Toronto	13.26	20.35	20.26	19.30	18.26	16.33	15.15
Can. Nationale	13.25	11.81	13.13	15.38	13.55	12.98	12.74

Consistent Dividend Record

Canadian chartered banks have an enviable dividend record. During the past 20 years, not one of the existing chartered banks has passed a dividend or decreased the regular rate paid. True enough, bonus dividends which were being paid in the period from 1920 to 1930 have been recently discontinued, but since the payment of a bonus or extra dividend does not imply continuance, the dividend history of existing Canadian banks could hardly be improved upon from the standpoint of regularity.

While it is true that Canadian banks have not often revised dividend rates upward during the 20-year period under review, still they have, on the whole, been progressive. Bank of Montreal has increased its rate from 10 per cent in 1910 to 12 per cent at present; Bank of Nova Scotia now pays 16 per cent as compared with 12 per cent in 1910; in fact, all banks, with the exception of Dominion Bank, have increased their dividends during the period. The rates paid in 1910, 1930 and at present are as follows:

Dividends Paid On Bank Stocks

	1910 %	1930 %	1932 %
Nova Scotia	12	16	16
Montreal	10	12+2	12
Royal	11	12+2	12
Commerce	9	12+1	12
Dominion	12	12+1	12
Imperial	11	12+1	12
Toronto	10	12+1	12
Can. Nationale	8	10	10

Prices Reached High in 1928

High point in the prices of Canadian bank stocks was reached in the fall of 1928, (an exception being Bank of Commerce stock in which the high point was reached early in 1929 prior to the issue of valuable rights to shareholders), or almost a year before the first market crash of October, 1929. The reason for this is probably to be found in the fact that 1929 was a year of speculative buying, largely on margin. Margin purchase of bank stocks is impossible as banks are not allowed to accept bank stocks as collateral security so they took a back seat to industrial stocks during this hectic year.

Since reaching the high point of 1928, when the average yield was about 8 per cent, prices have continued downward until the past week. From July 4 to July 9 the prices of all bank stocks, with the exception of Banque Canadienne Nationale, recorded increases which ranged from 39 points in the case of Bank of Montreal to 2 points in the case of Bank of Nova Scotia. These price changes added $24,860,000 to the market value of the eight listed bank stocks.

As in the case of industrial stocks and bonds, many factors must be taken into account in determining the reason for difference in prices of bank stocks and their different yields at those prices. Bank of Nova Scotia has led for a number of years, the most apparent reasons being its higher dividend rate, the fact that its reserve fund is proportionately higher than that of any other bank, being twice its paid-up capital, and the popular opinion that it has one of the strongest inside positions of any of the banks. Bank of Montreal has usually sold on a lower yield basis than other banks due to its reputation for conservative policy and the fact that it is the government bank.

Royal and Commerce Fluctuate

Royal Bank and Bank of Commerce have shown greater fluctuations than the other bank stocks because of their rapid expansion during the past few years. Dominion and Imperial banks have remained lower than the remainder of the group paying 12 per cent and have had fewer fluctuations, probably because they are smaller than the others and so have not the same appeal to investors. Although Bank of Toronto is currently selling slightly higher than the two latter banks it might be included in this group. Its shares are closely held.

Banque Canadienne Nationale stock is the least active of the bank stocks, a large proportion of the outstanding stock being closely held. It has been subject to few fluctuations and has been the only stock which has not reacted to the recent general price increase.

Special Features of Bank Stocks

Canadian bank stocks are "book stocks," and are transferable by power of attorney only. The buyer executes power to accept the stock and the seller executes power to transfer. A certificate is issued showing the total number of shares held at a certain date, but this certificate is not negotiable and is merely evidence that the transfer was properly made.

Holders of Canadian bank stocks are subject to double liability in respect to the par value of their shares. That is to say that, in the event of failure of the bank, the registered holder is liable to subscribe an amount equal to the face value of the stock held by him.

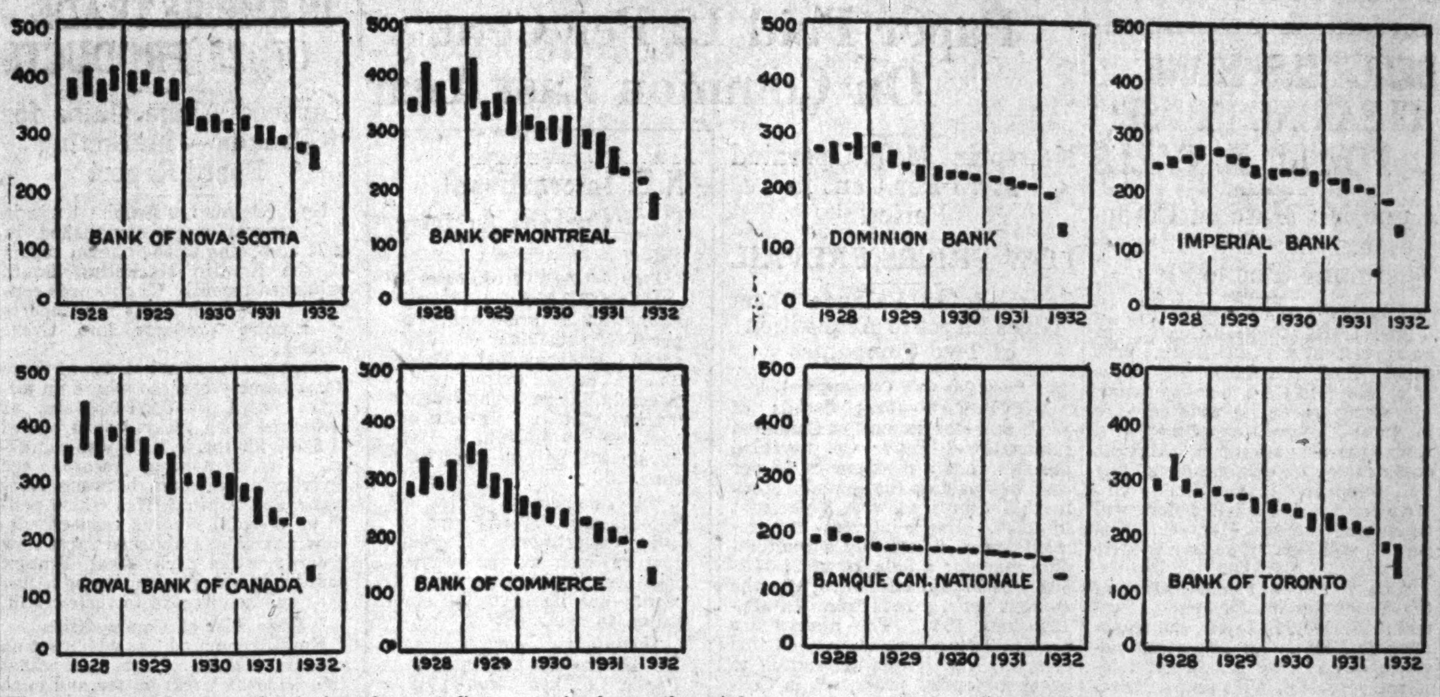
Under the Bank Act, Canadian chartered banks cannot accept bank shares as collateral security for loans, therefore these shares have to be bought outright.

The most important statistics which have a bearing on the price of bank stocks are shown in the following table:

STATISTICAL POSITION OF CANADIAN BANKS AT DECEMBER 31, 1931

	Capital (in millions of $)	Reserve (in millions of $)	Earn p. sh. $	Divd. $	% Earn. deposits %	Book value $	Price July 4 $	Price July 9 $	Yield July 9 %
Nova Scotia	12	24	17.17	16.00	1.27	309	240	242	6.6
Montreal	36	38	12.43	12.00	0.80	212	151	190	6.3
Royal	35	35	12.71	12.00	0.84	215	130	142	8.4
Commerce	30	30	13.08	12.00	0.98	204	125	139	8.5
Dominion	7	9	13.01	12.00	1.25	238	132	135	8.7
Imperial	7	8	12.98	12.00	1.22	228	133	145	8.3
Toronto	6	9	15.15	12.00	1.16	260	130	150	8.0
Can. Nationale	7	7	12.74	10.00	0.86	205	129	128	7.8

Price Range of Listed Bank Stocks 1928-32



Fluctuations of bank stocks during the past five years is shown above by three months' periods. The lack of fluctuation during the final three months of 1931 and the first three months of 1932 is accounted for by the fact that prices were pegged during that period and any trading that was done was done "across the counter" at prices lower than the pegged ones. Each bar represents the high and low quotation for the quarter.

U.S. FARM BOARD NOW IMPOTENT IN WHEAT MART

Grain Stabilization Corp. Disappearing as Market Factor

From Our Own Correspondent

WINNIPEG. — United States Farm Board is disappearing as a market factor much more rapidly than the accumulated stocks of wheat which it collected.

A recent despatch from Chicago quoted James S. Milnor, head of the Board's subsidiary Grain Stabilization Corporation, to the effect that the latter had on hand to dispose of 28,000,000 bushels of cash wheat. This was after Congress had authorized the Board to turn over to the Red Cross 45,000,000 bushels of wheat in addition to the 40,000,000 bushels previously appropriated.

In addition, the Stabilization Corporation is understood to be carrying about 30,000,000 bushels of wheat futures, accumulated, not so much in direct operations aimed at stabilization as in the process of marketing cash wheat. In addition it undoubtedly is carrying considerable stocks of wheat earmarked for delivery against sales of wheat previously made.

Distribution Slow

Reports from the United States indicate that the distribution of free wheat to the Red Cross for the relief of unemployed, and distress elsewhere, is considered to be a temporarily disturbing feature of the market. Of the relief wheat about 25,000,000 bushels had been delivered to the order of the Red Cross by the first of the month, but less than half of that had actually been distributed in the form of free flour. As Red Cross technique for handling supplies improves, a more rapid distribution is expected, and certain quantities are expected to be disposed of as feed in certain areas.

To what extent the provision of free wheat will increase the consumption of bread is a matter on which conflicting opinions are held, but it is admitted that there is a chance for consumption to be increased in the southeastern states where the per capita consumption of white flour is ordinarily comparatively light. In other places the principal effect appears to be rather an interference with the ordinary channels of trade, and in particular lessened future purchases of wheat and flour by millers and bakers, with a consequent weakening of the market structure. Not all the wheat appropriated will be distributed free, for the Red Cross is paying for milling, and to some extent for freight, with a part of the total stock, and such parts, of course, have still to be marketed in the regular way.

Board Now Impotent

Over a period of several months, it is believed by market observers, there will be a slightly larger consumption of wheat in the United States because of this free distribution. But from the market standpoint the greatest significance is the fact that the Farm Board is now reduced to comparative impotence for ill, or for attempts to do good, which in the estimates of its critics, come to the same thing. Within a short time its complete disappearance from the wheat market is anticipated, and current opinion regards that as an important development as soon as it can be brought about. The sooner, so goes general opinion, the control of its present stocks can be transferred to regular commercial channels, the sooner will there be a healthier market, as traders at home will no longer be afraid of either sudden action or unwise pronouncements by the Farm Board, and buyers abroad will no longer count on buying wheat from it, as they have bought it for a long time, at less than prevailing market prices in the United States.

That complete liquidation of the Farm Board may be ordered by the next session of Congress is believed to be possible. It could hardly survive a Democratic victory at the November elections, since that party has condemned its course of action. Even the Republican platform appears to repudiate the Farm Board, promising as it does, amendment of the Agricultural Marketing Act to restore control of co-operative organizations to farmers themselves.

Robert Mitchell Widens Scope

The manufacture of monel metal sinks for household and other purposes is being undertaken by the Robert Mitchell Company, Limited, of Montreal, under an arrangement concluded with the International Nickel Company of Canada, Limited. The fabrication of monel metal is expected to become an important part of the Montreal firm's manufacturing activities.

FOOTWEAR OUTPUT WELL MAINTAINED

Agnew-Surpass Shoe Stores Sales Reflected in Statistics

From Our Own Correspondent

MONTREAL.—Production of leather footwear in Canada in May, 1932, was 1,656,088 pairs, an increase over the preceding month of 132,596 pairs and a decrease from May, 1931, of 84,704 pairs. This relative maintenance of output may be regarded as a satisfactory factor in the situation surrounding Agnew-Surpass Shoe Stores which now produces approximately 18 per cent of the total boot and shoe output of Canada.

Agnew Surpass Shoe Stores closed its fiscal year May 30 and though no figures on earnings have been published, it is thought the financial statement will reflect lower dollar sales volume. The company's actual production has been maintained at a high level but benefits of this have been offset by a decline in sales volume. The company's actual production has been maintained at a high level but benefits of this have been offset by a decline in sales values.

For the first nine months of the last fiscal year, sales totalled $1,748,044 compared with $2,118,115 in the same period of the previous year, a decrease of $370,071. Whether earnings will cover preferred dividend in the twelve months' period has not been disclosed. In the fiscal year ended May 31, 1931, Agnew-Surpass earned its preferred dividend slightly more than twice over and there remained a surplus equal to 97 cents a share on the common stock.

Newfoundland's New Cabinet Takes Office

Newfoundland's new administration was sworn in on June 28, when the Hon. F. C. Alderdice was appointed Prime Minister and Minister of Finance and Customs.

Other members of the executive council include Hon. J. C. Puddester who will be Secretary of State; Hon. L. E. Emerson, K.C., Minister of Justice; Harry A. Winter, K.C.; John Stone, Minister of Marine and Fisheries; Hon. Francis MacNamara; James S. Ayre; Samuel J. Foote; William J. Browne; Harold Mitchell; W. J. Walsh, Minister of Agriculture and Mines; and K. McK. Brown, Minister of Labor.

Hon. J. C. Puddester, the new secretary of state, has been the business manager of the Saint John's Daily News and Free Press since 1916. The new minister of justice has been in partnership with James P. Blackwood, K.C., since 1918, while the Hon. F. MacNamara has been a member of the Legislative Council of Newfoundland since 1917 and his position as a member of the executive automatically makes him government leader in the Upper Chamber. He is president of the Board of Trade for the current year and will head the Board of Trade delegation to the Empire Conference.

In addition to appointments to the Executive Council, three departmental heads have been appointed namely, H. W. Quinton, to be Minister of Public Works; Capt. William C. Wisnor, to be Minister of Posts and Telegraphs; and William J. Walsh to be Minister of Lands and Fisheries.

Manitoba Dairy Production

The value of Manitoba's dairy products last year was $13,715,000, while that of Saskatchewan was $18,893,000 and that of Alberta $15,914,000, making a total of $48,522,000.

Newfoundland Appoints Delegates to Conference

Official announcement of nine delegates which will represent Newfoundland at the coming Imperial Conference, has been made by Hon. F. C. Alderdice, newly-appointed prime minister of the dominion. In addition three representatives from the Newfoundland Board of Trade will attend. The Prime Minister will head the government delegation of six.

Other members are: Hon. L. E. Emerson, K.C., Minister of Justice; J. H. Penson, Controller of the Treasury and Acting Deputy Minister of Finance; H. V. Hutchings, Deputy Minister of Customs; J. P. Powell and W. J. Carew. Mr. Carew will act as secretary.

The Newfoundland Board of Trade will be represented by three delegates; Hon. F. McNamara, president; William Dawe and Claude Noonan.

Mr. Noonan has been for twenty years engaged in all phases of the fishery business with Messrs. Harvey & Company, while Mr. Dawe is a woods expert who has recently returned from a three months' trip to England in an endeavor to increase the sale in England of Newfoundland spruce, fir and birch.

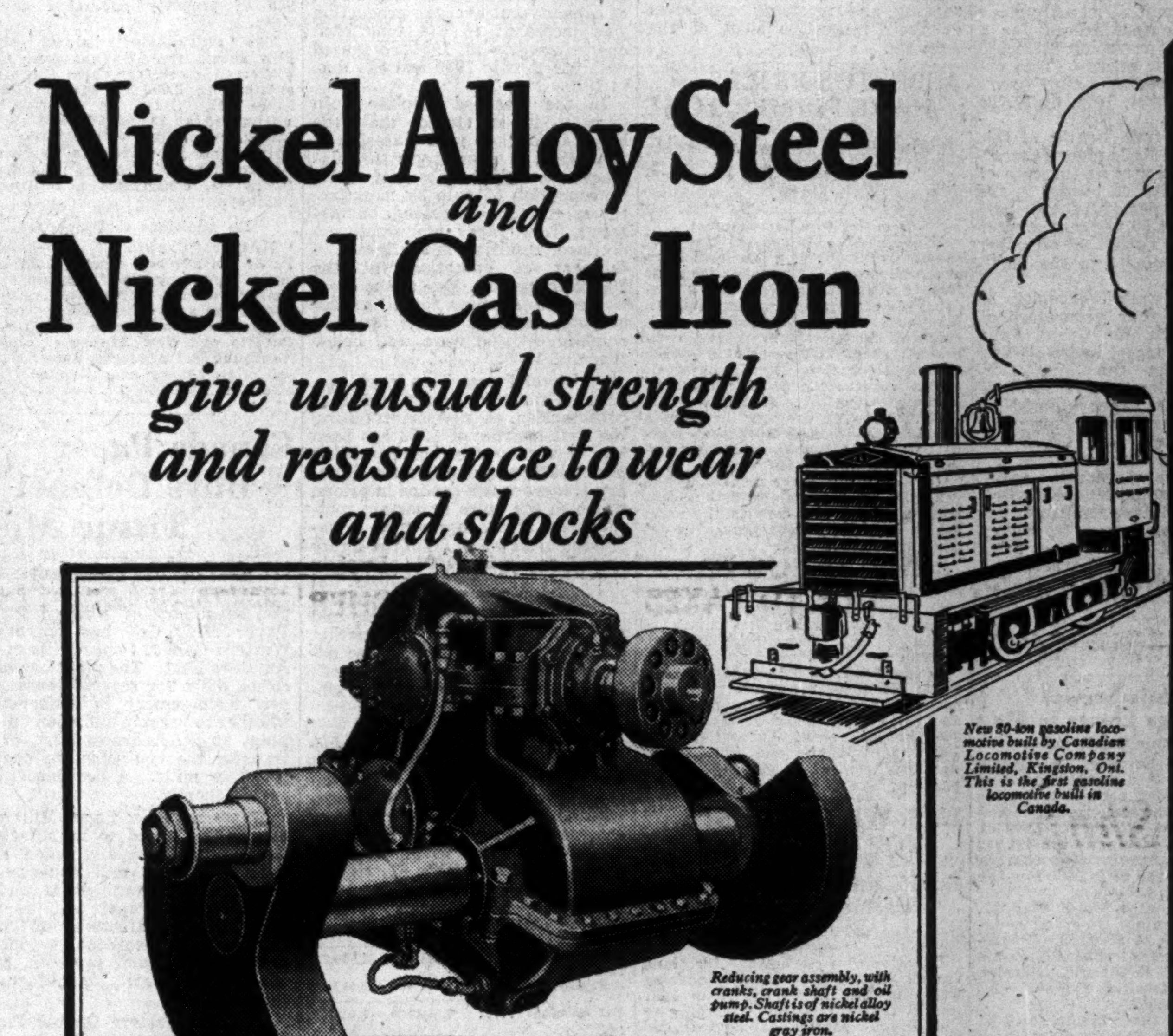
Bondholders Approve National Brick Plan

From Our Own Correspondent

MONTREAL.—Bondholders of National Brick Co. of Laprairie, have approved the plan of re-organization, and have authorized the sale and disposal of all mortgaged premises at a public auction, at which a bid shall be put up by a new company, which will have a paid-up capital of 100 shares of a par value of $5 each.

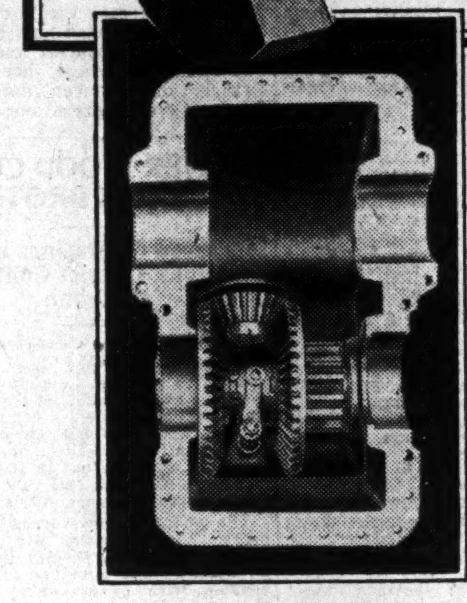
If the new company's bid is successful, its authorized capital will be increased to 5,000 six per cent class "A" preferred shares; 15,625 six per cent class "B" shares, and 100,000 no par value common shares. In addition there will be $500,000 six per cent first mortgage bonds.

The new company will acquire from the Cooksville Co. certain properties of the latter at Delson, together with its Montreal business and working capital.



New 20-ton gasoline locomotive built by Canadian Locomotive Company Limited, Kingston, Ont. This is the first gasoline locomotive built in Canada.

Reducing gear assembly, with cranks, crank shaft and oil pump. Shaft is of nickel alloy steel. Castings are nickel gray iron.



Reduction gear housing, with shifting jaw clutches, bevel gears and pinion. Gears and pinion are of nickel alloy steel. Housing is of nickel gray iron.

Nickel Alloy Steel and Nickel Cast Iron
give unusual strength and resistance to wear and shocks
in the first Canadian-built Gasoline Locomotive

THIS new locomotive was specially designed to bring economy to industries operating short mileage, and for intermittent switching. Consequently many of its parts had to be made to stand up under continuous shocks and strains due to constant starting and stopping.

To meet these definite and special requirements, the Canadian Locomotive Company made use of nickel alloy steel for the gears, shafts and pinions; and nickel cast iron for the transmission housing of the differential and the reducing gear assembly, as well as for all other castings.

Scores of Canadian industries are making use of nickel and its alloys to meet definite and difficult problems. Have you some problem which might be successfully solved by the use of nickel steel or nickel cast iron?

Our engineers will gladly advise you regarding the selection of materials for your specific problems.

INCO NICKEL TRADE MARK

Nickel can be successfully alloyed with iron in all proportions, and can be used to produce a great number of desirable properties, many of which are unattainable with other elements. Nickel in cast iron tends to reduce the porosity and refine the grain, to increase the machinable hardness and strength and give greater uniformity.

Nickel ALLOY STEEL PERFORMS BETTER LONGER

CANADIAN NICKEL PRODUCTS LIMITED
25 KING STREET WEST, TORONTO
A Subsidiary of
THE INTERNATIONAL NICKEL COMPANY OF CANADA LIMITED

INCO NEWS
Interesting new uses of Nickel and Monel Metal in the various Canadian Industries.

Pumps

Plants manufacturing sugar, iron, beer, fibre board, tobacco and paper are included in those recently installing Monel Metal pump rods and shafts.

Monel Metal pump rods will not rust. They defy the attacks of corrosive steam and water. They stand up under heavy pressures and strains without breaking or bending. They polish in evenly with a glass-smooth surface that is nearly frictionless — a surface that minimizes wear on packings and bearings. They permit adjustments to the closest possible tolerance without danger of seizure.

In actual service Monel Metal pump rods have been known to last more than four times as long as steel.

Dyeing

Henderson, Barwick Company Limited of Montreal, have been making Monel Metal batch cans for the Wabasso Cotton Company Limited.

There are many reasons why Monel Metal is ideal for dyehouse equipment. It eliminates damage to goods from rust and other metal stains. It lengthens the total life of equipment by its resistance to corrosion and abrasion. It is conveniently cleaned, thus permitting frequent change of batches and efficient use of floor space. It makes equipment flexible so that dyeing, bleaching, scouring, washing, degumming, stripping, etc., can be carried out in the same equipment.

Railways

Kitchen sinks, work tables, cabinets, racks, etc., of Canadian railways continue to be made of Monel Metal, as years of experience have proven the superiority of Monel Metal in this type of service.

Monel Metal is rust-proof. It resists the corrosive action of fruit juices. It is easy to keep clean and has no coating or plating to chip, crack or wear off.

Laundry

Beaver Laundry Machinery Company of Toronto have ordered Monel Metal for thirty-one machines for the new Saint John Hospital at Saint John, N.B.

Monel Metal protects the wash from metal stains. It cannot rust and is not affected by the soaps, bleaches and sours that are used in laundry work. It always presents a clean, glass-smooth surface to protect delicate fabrics that pass over it. It stands up under severe treatment.

Many of the largest laundries are already equipped with Monel Metal washing machines, extractors, chutes, table tops, etc. Canadian manufacturers of laundry machine equipment recommend Monel Metal, and many sheet metal men are supplying laundries across the country with Monel Metal accessories.

Motion Picture Bureau, Ottawa

This elaborate and up-to-date film laboratory uses Monel Metal extensively for tanks, racks and other fittings coming in contact with developing solutions.

Utilities and Transportation

ASSOCIATED LAKE FREIGHTERS NAME OF SHIPPING POOL

James Stewart Will Manage Affairs of New Company

From Our Own Correspondent

MONTREAL.—Associated Lake Freighters, Ltd., is the name given to the organization recently formed by shipping companies on the Great Lakes as a result of their recent efforts to introduce an economic policy for the employment of grain tonnage available. If the experiment proves satisfactory, the sphere of this shipping pool may be extended to embrace other bulk cargoes.

James Stewart, formerly president of the Maple Leaf Milling Co., has been appointed manager of the new company, with headquarters in Winnipeg, and J. Arthur Mathewson, K.C., of Montreal, has been elected president. Discussing formation of this corporation, Mr. Mathewson has stated that its purpose is to obtain co-operation among owners of lake vessels in order to improve conditions generally.

If the aims and object of the company are achieved, he foresees that this association of ship owners may lead to the establishment of an institution similar to the Board of Railway Commissioners or the extension of its powers to embrace transportation on the Great Lakes and St. Lawrence River.

Seek Rate Stabilization

One of the most difficult problems with which shipping companies have to contend today is the low rate prevailing for transportation of grain by water. The average tariff for a bushel of grain down the Great Lakes in 1931 was 6.46 cents which compared with 7.95 cents in the previous year and 8.39 cents a bushel in 1928. Further, it has been recognized by all operators that there has been too much tonnage operating in the lake trade and some plan had to be formulated for reducing the number of ships.

A number of vessels are lying idle at the present time but there are still too many on the inland waters, it is claimed. Small profits with a few ships are held to be preferable to losses through the operation of entire fleets. Present rates of 5 cents a bushel and under scarcely pay operating charges.

Capital structure comprises 300 shares of no par value and it is stated that leading lake ship-owners have agreed to subscribe for shares in the new organization. It is explained that every effort will be made to avoid disturbance of the present system by which grain moves from the prairies to the seaboard. Each steamship company will be allocated a proportion of the available quantity of grain in accordance with the carrying capacity of its fleet.

Directors of the company comprise: T. R. Enderby, vice-president; James Playfair, A. A. Hutchinson, R. A. Campbell, John J. Boland, Captain James B. Foote, A. A. Buckworth, Norman M. Paterson, Captain Scott Misener, J. Spence, J. I. Hobson and E. S. Crosby.

B. C. Electric Railway Carries Fewer Fares

From Our Own Correspondent

MONTREAL.—Trend of passengers carried each month in Vancouver city by B. C. Electric Railway Co. has shown a steady decline for the past two years. For the twelve months ended Jan. 31, 1930, an average of 4,840,000 revenue passengers per month was carried as against a monthly average of 4,750,000 passengers for the succeeding year. In the twelve months ended Jan. 31, 1932, the monthly average was 4,530,000.

In recent months, figures have dropped more sharply and for the twelve months ended May 31, 1932, the monthly average was 4,440,000 passengers. In other words, in the year ended May 31, 1932, 3,240,000 less passengers were carried on Vancouver city car lines than in the same period a year ago.

Dominion Coal Collieries June Hoist Below 1931

From Our Own Correspondent

MONTREAL.—Collieries of Dominion Steel & Coal Corp. in June, produced 288,612 tons of coal, a slight increase over the May output of 272,189 tons. Output for June, 1931, however, was 345,289 tons.

The Scotia collieries were the only pits to record an increase in the June hoist.

Can. Northern Power Sales Gain in May

From Our Own Correspondent

MONTREAL.—Earnings of Canada Northern Power Corp., subsidiary of Power Corp. of Canada showed an increase in May compared with the same month last year, a reflection of the increasing activity in the mining territory served. Output for the month of May last totalled 37,125,750 kw.h. against 34,957,590 kw.h. last year.

Gross earnings in May were $280,463, an increase of $8,567. Operation expenses were slightly higher and net earnings at $191,362 showed an increase of $8,567. For the five months ended May 31, gross earnings were up $50,539 at $1,425,945. Operating expenses were unchanged, and net at $987,613 showed an increase of $50,234.

The company serves the gold mining districts of Northern Ontario and Northwestern Quebec with hydro-electric power. Earnings in 1931 were equal to 75 cents a share on the common stock, against dividends paid of 80 cents a share. In 1930, the company earned 68 cents a share on its common stock.

SAINT JOHN RIVER OUTPUT REACHES NEW HIGH MARK

Plant at Grand Falls Shows Large Gain to Date

From Our Own Correspondent

MONTREAL.—Grand Falls hydro-electric plant of Saint John River Power Co., subsidiary of Gatineau Power Co., recently made a new high output record for a single day by producing 1,368,000 kw.h. of electric energy. This exceeded the previous high mark made in December, 1931, by 15,000 kw.h.

In the first four months of this year the Grand Falls plant generated 113,940,000 kw.h. an increase of 38 per cent over its output in the corresponding period of the past year, and about 50 per cent greater than the total output of all other hydro-electric plants in the Maritime Provinces.

With an installed capacity of 80,000 h.p. in four generators of 20,000 h.p. each, the Grand Falls station is the largest hydro-electric development in the Maritimes. Among its customers are the Dalhousie newsprint paper mill of New Brunswick International Paper Co.; Fraser Companies and the towns of Grand Falls and Dalhousie.

For the twelve months ended March 31, Canadian Hydro-Electric Corp. and subsidiary companies, including Gatineau Power Co., reported consolidated net revenue, after deducting all prior charges, and available for dividends of $2,508,684 or $20.07 a share on the first preferred stock. This compared with $16.36 a share in the twelve months ended March 31, 1931.

Jamaica Public Service Earnings Lower in May

From Our Own Correspondent

MONTREAL.—Earnings of Jamaica Public Service Ltd. and subsidiary companies in May showed a decline compared with the same month of last year. Gross was off about $7,000 at $61,266 and net earnings were $21,842 against $25,917. Surplus after charges was $12,515, a drop of $4,000 from the figures for May, 1931.

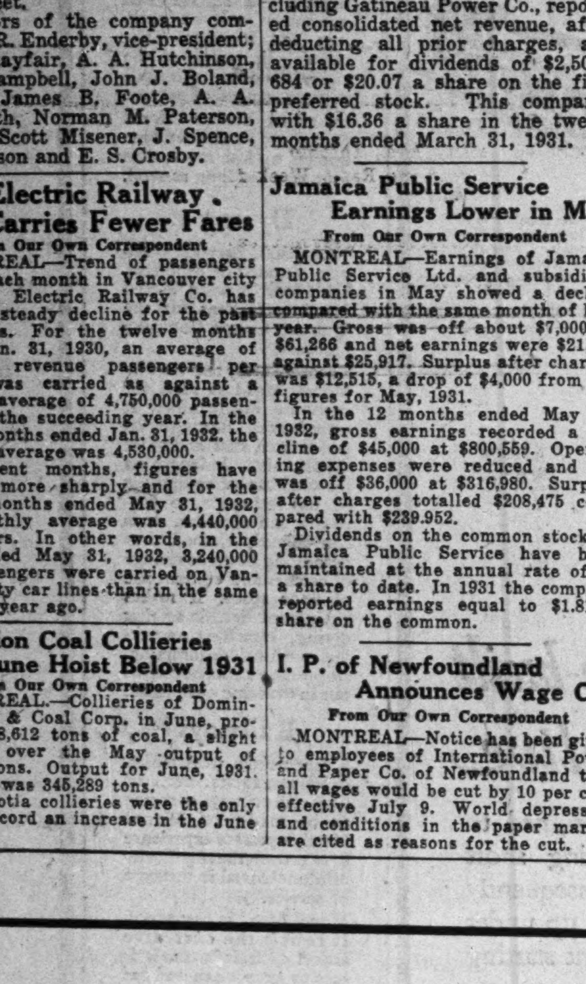
In the 12 months ended May 31, 1932, gross earnings recorded a decline of $45,000 at $800,559. Operating expenses were reduced and net was off $36,000 at $316,980. Surplus after charges totalled $208,475 compared with $239.952.

Dividends on the common stock of Jamaica Public Service have been maintained at the annual rate of $1 a share to date. In 1931 the company reported earnings equal to $1.81 a share on the common.

I. P. of Newfoundland Announces Wage Cut

From Our Own Correspondent

MONTREAL.—Notice has been given to employees of International Power and Paper Co. of Newfoundland that all wages would be cut by 10 per cent effective July 9. World depression and conditions in the paper market are cited as reasons for the cut.



List on request

NESBITT, THOMSON
and Company Limited
355 St. James Street West, Montreal
Quebec Ottawa Toronto Hamilton London, Ont. Winnipeg
Saskatoon Calgary Victoria Vancouver

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BELL TELEPHONE CLEARING HOUSE FOR U. K. CALLS

Canadian Marconi Co-operates in New Inter-Empire 'Phone Plan

From Our Own Correspondent

MONTREAL.—Resulting from an agreement with the British Post Office, Bell Telephone and Canadian Marconi Co. are co-operating in making possible a wide advance in inter-Empire communications. Under the new agreement, all calls destined for or originating at any Bell telephone in Quebec or Ontario for the United Kingdom will be cleared through Montreal. The service will shortly be extended to the whole of Canada.

As a follow-up to completion of the Trans-Canada Telephone System a $7,000,000 project, the transatlantic link is an important advance in assuring an all-red telephone service of wide scope. Existing rates will remain unchanged.

While the telephone switchboard apparatus and associated operating equipment for Quebec and Ontario-to-Britain calls are located in the Belmont Street long distance centre in Montreal, the radio receiving station for the Marconi beam wireless channel is situated at Yamachiche, near Three Rivers. The transmitting facilities are contained in the Marconi sending station at Drummondville.

Similarly, the Britain-to-Quebec and Ontario messages, handled through the British Post Office switchboards at London, are routed via radio beam from Rugby, 80 miles northeast of London. The British receiving station is at Baldock, about 20 miles north of London. Telephone land lines provide direct connection between the exchange switchboards and the radio sending and receiving equipment on their respective sides of the Atlantic.

ASBESTOS PRICES HAVE FIRMER TONE

Output Still Far Below Levels of Last Year to Date

From Our Own Correspondent

MONTREAL.—Though shipments of asbestos continue at a low level some encouragement may be taken from the fact that prices have showed a tendency to strengthen in certain lines. May quotations on crude number 1, spinning fibres, magnesia and compressed sheet fibres, shingle stocks cement stocks and floats have all shown gains over prices prevailing in the previous three months.

Production of asbestos in Canada during May totalled 9,942 tons compared with 8,830 tons in the preceding month and 12,446 tons in May, 1931. In the first five months of the year shipments were 45,602 tons contrasted with 66,552 tons in the same period of the previous year or a decline of 31.5 per cent.

Asbestos exports in May were 8,538 tons, an increase of 38 per cent over April but a decline of 34 per cent from May last year. Average prices in Quebec asbestos mines at the end of May, tax and bags included, were quoted as follows:

Crude No. 1, $400 to $450 per ton; crude No. 2, $200 per ton; spinning fibres, $80 to $125 per ton; magnesia and compressed sheet fibres, $75 to $85 per ton; shingle stocks. $45 to $80 per ton; paper stocks, $27½ to $35 per ton; cement stock, $18 to $22 per ton; floats, $15 per ton.

U. S. WHEAT COSTS TOP SELLING PRICE

But if Land Rental Excluded, Farmer Would Just Break Even

If allowance is made for land rental, the average cost of producing wheat in the United States in 1931 was 81 cents per bushel according to the U. S. Bureau of Agricultural Economies. If the cost of land rental is excluded from the computations the cost of producing a bushel of wheat would have been 46 cents not 81 cents. The average price received by the farmer was stated to have been 47 cents. Computations of wheat costs were based on returns from 3,000 representative farms.

Corn was produced at an average cost of 61c bu., while the average cost of oats production was 42c the economist stated. The corn figures on which the average cost was based were received from 5,414 farmers and the oats figures from 3,463 farmers.

There is a great deal of difference, it is pointed out, in the cost of production in the different regions as well as on the different farms. Where production amounted to 29 bus. an acre the average cost of producing one bushel was 52c, but where production was but 10 bus. to the acre, the cost was $1.02.

These cost figures, it is explained, include charges at going wages for labor of the farmer and members of his family who worked on wheat and a charge for the use of the land on a cash rental basis, as well as all of the out-of-pocket expenses of growing the crop. Thus the farmer who received the cost of production did not just "break even" on the crop. In the case of a man who produced at 50c a bushel and sold at the same price the crop repaid all the cash expenses of producing it; also paid going wages to him and his family for their time spent on the crop; also paid rental on his investment in the land for producing the crop.

If the cost of land rental were not figured in the computations the cost of producing a bushel of wheat would have been 46c rather than 81c. Consequently, the farmer who received 47c bu. for his wheat—the average farmer, of course—received enough to cover cash costs and to pay himself going wages, but only 1c for land rental.

Electric R. R. Body Adopts New Name

Canadian Transit Association is the new name adopted by the Canadian Electric Railway Association at the annual meeting of the organization held at Halifax in June. The association felt that the old name did not adequately describe the activities of its members many of whom operate urban, suburban and interurban buses, sightseeing, ferry, taxi and other services.

Officers elected for the coming year are as follows:

President, J. B. Hayes, manager, Nova Scotia Light and Power Co.; vice-president, H. R. Mallinson, vice-president and managing director, Provincial Transport Co.; treasurer, H. C. Patten, comptroller, Toronto Transportation Commission; auditor, J. E. Richards, manager and treasurer, London and Port Stanley Railway.

Canadian International Paper Paid 12 Per Cent On Common Last Year

Newsprint Mills Operated at 73 Per Cent in Period

LOW PRICES PREVAIL

Consolidated Balance Sheet Gives Effect to Acquisition of Two Companies

From Our Own Correspondent

MONTREAL.—Full details of profit and loss account of Canadian International Paper Co. revealed the fact that a dividend of 12 per cent was paid on the common stock in 1931 compared with 3 per cent in 1930. Bond interest requirements were covered by a comfortable margin; a balance of $5,341,503 was brought forward into the current year, a reduction of $444,100 from 1930. The figures are an interesting commentary on this company's activities in relation to other newsprint producers in Canada.

In his report, A. R. Graustein, president of the company, points out that output of the Gatineau and Three Rivers newsprint mills last year totalled 338,064 tons, compared with 404,555 tons in 1930, a decrease of about 10 per cent. Net operating revenues of the newsprint division were, however, only slightly below 1930, the improvement in operating efficiency practically offsetting both the lower prices for newsprint and lower volume of production.

Over 70 Per Cent of Capacity

The Three Rivers newsprint mill operated at about 73 per cent of capacity, but its average production for each operating day was raised to 739 tons compared with 720 tons in 1930, and 692 tons in 1929. Operations of the Gatineau mill were also at about 73 per cent of capacity but average production was increased to 674 tons each operating day in 1931 compared with 638 tons in 1930 and 593 tons in 1929.

In the bleached sulphite pulp division it is stated that the Kipawa mill last year was able to run close to capacity with shipments exceeding those of 1930. Consumption of pulp by manufacturers of rayon increased, but demand from paper manufacturers declined, resulting in a slight curtailment of operations at the Hawkesbury mill. Due to the drastic decline in prices for all grades of pulp, earnings of the bleached sulphite division were well below those of 1930.

Lower Prices This Year

Mr. Graustein points out that consumption of newsprint during the first quarter of 1932 has been less than in the corresponding period last year, and effective January 1, there was a decline in prices, which in the more important metropolitan areas represented a decreases of $4 a ton from the figure prevailing during 1931. Recently there has also been a substantial falling off in the rate of consumption of bleached sulphite pulp and further weakness in the market price for that product. These adverse factors are being partly offset by increasing operating efficiency he states.

Profit And Loss Figures

Following are comparative figures of profit and loss for the past two years. The figures do not include revenue from New Brunswick International Paper Co. or International Power and Paper Co. of Newfoundland, which were acquired as of December 31, 1931.

	1931 $	1930 $
Sales (net)	25,493,739	32,199,758
Profit on exch.	789,798	......
Net income	26,283,537	32,199,758
Less:		
Exp. less other inc.	21,752,668	26,587,672
Net earnings	4,530,869	5,612,081
Less:		
Bond interest ...	1,531,498	1,561,239
Other interest ..	950,493	1,061,671
Depreciation	1,116,560	1,527,875
Amort. of disc. .	176,418	123,770
Net profit	755,900	1,337,526
Add:		
Non-rec. items ..	....	522,218
Less:		
Dividends	1,200,000	300,000
Surplus for year .	*444,100	1,559,744
Add Prev. surp. ..	5,785,603	4,225,859
Balance forward ..	5,341,503	5,785,603

*Deficit.

Consolidated Balance Sheet

The consolidated balance sheet gives effect to acquisition of New Brunswick International Paper Co. and International Power & Paper Co. of Newfoundland in accordance with agreement of April 21, 1932. It also reflects the issue by New Brunswick International Paper Co. of $12,500,000 six per cent first mortgage bonds which were actually sold on January 7, 1932. The bonds are held by International Paper Co.

Working capital at the end of the year amounted to $20,686,109 which compared with $17,549,232 at the end of 1930. Consolidated current assets amounted to $28,404,270 or over three times consolidated current liabilities of $7,718,161.

Figures in the balance sheet reflect consolidation of the New Brunswick and Newfoundland companies. Plants and properties are valued at $125,593,060, an increase of approximately $57,000,000 and woodlands, water power rights, etc., after deducting depletion reserves are carried at $33,494,194 compared with $15,435,579. Deducting property reserves are carried at $33,494,194 compared with $15,435,579. Deducting property reserves of $24,679,011, property account stands at $144,408,243, an increase of $65,000,000. Securities in investments at book value amount to $1,481,946, a gain of over $300,000.

Accounts Receivable Gain

Cash totals $684,469 and accounts receivable show heavy gains. From International Paper Co. for December, 1931 sales of newsprint to it, there is owing $1,927,804 and from others, the sum of $1,985,045. This compared with receivables of $717,885 at the end of 1930. Inventories are up over $5,000,000 at $23,808,949. Total assets are $182,501,520, which represents an increase of $72,500,000.

In liabilities, bank loans of $5,110,625 make their appearance, but sums due to International Paper Co. are shown at $456,372 compared with $4,831,051 at the end of 1930. Accounts payable at $2,162,772 are up $700,000. Reserves total $17,963,707 compared with $12,002,318.

Depreciation reserve of $11,721,566 is the main item in this account. The reserve for profit on sale of properties amounts to $5,446,139. During the year, additions of $3,831,000 were made to this account, of which $3,636,625 represented profit from sale of water power in other properties. Deduction from this account totalled $1,974,197 during the year, leaving the balance for this reserve higher by nearly $2,000,000.

Increases Funded Debt

Funded debt now totals $97,049,955 compared with $40,998,600. Canadian International Paper Co.'s own securities have been increased by $20,000,000 representing two issues of $10,000,000 of six per cent debentures, both entirely owned by International Paper Co.

Of the newly acquired companies, New Brunswick International Paper Co. has outstanding $12,500,000 of six per cent first mortgage bonds. International Power and Paper of Newfoundland bonds account for the balance with the exception of $296,300 of property purchased obligations.

The consolidated balance sheet also shows the Newfoundland Co.'s preferred stock, of which there are outstanding 2,080,000 shares of par value £1. Paid in surplus is unchanged at $38,840,000 and earned surplus totalled $5,341,503. An obligations in respect of subscription to shares of Newsprint Bond and Share Co. constitutes a contingent liability.

No Additions to Properties

Neither Canadian International Paper Co. nor any other subsidiaries made any important additions to timber holdings during 1931. At the end of the year total holdings of the company's subsidiaries in Quebec, Ontario and New Brunswick and in Newfoundland aggregated over 27,000 sq. miles, having an estimated stand of about 83,000,000 cords of pulpwood.

N. B. International Curtails Activity

From Our Own Correspondent

MONTREAL.—New Brunswick International Paper Co., subsidiary of Canadian International Paper Co., will curtail output owing to conditions in the newsprint market. It is understood that the 500-ton mill at Dalhousie will be placed on half time.

Two machines, it is reported, are idle and various other departments of manufacture such as the slasher mill and wood piling departments are likely to be curtailed to some extent.

During the current year New Brunswick International Paper Co. has issued $12,500,000 of 6 per cent bonds due 1961. The issue is entirely held by International Paper Co.

Canada Paper Buys Defunct Tissue Mills

From Our Own Correspondent

MONTREAL. — Canada Paper Co., subsidiary of Howard Smith Paper Mills Co., has purchased Western Quebec Paper Mills at St. Andrews East. The plant has been closed down for several years; the new management is deliberating whether to revamp and open up the plant at St. Andrews East, or to transfer the equipment to one of its other mills. A decision is expected shortly.

Western Quebec Paper Mills was originally formed to manufacture tissues, manifold and onion skin papers, with a mill capacity of 1,800 tons a year. It is understood Canada Paper will use the unit for manufacture of such grades as absorbent wadding; facial tissues, and so forth, of a kind not presently manufactured in Canada.

In 1928, Western Quebec Paper Mills passed into the hands of a liquidator. Bonded indebtedness comprised $225,000 six and a half per cent mortgage bonds and $125,000 of 8 per cent debentures. Financing was carried out in 1923.

HIGHER WOOD CUT FOR PRICE BROTHERS

Increased Operations in Lake St. John District Contrary to Trend

From Our Own Correspondent

MONTREAL.—Price Bros. & Co. expects to increase its timber cut in the Lake St. John district this winter. At the present time the company has enough timber to keep it operating until about next May, but indications are that the cut in the coming Winter will exceed last year's cut of 70,000 cords by considerable margin.

The company, however, is likely to prove the exception to general lumbering operations. Surplus stocks on hand in the Province of Quebec coupled with general inactivity on the part of lumbering concerns are expected to reduce the 1932-33 lumber cut in Quebec to an estimated 540,000,000 ft., a reduction of 260,000,000 ft. compared with last year's figure, according to the Lands and Forests Department.

Last winter, the Provincial cut was about 800,000,000 ft. or 50 per cent of normal, and required the labor of some 25,000 men in the forests. One reason why the cut will be smaller next winter, it is claimed, is that jobbers, who have considerable surplus stocks on hand are offering pulpwood delivered to the mill, for $6 ton, which is below the figure it costs lumber companies to cut and haul wood.

Public Utility Earnings

Canada Northern Power

	1932 $	1931 $	Increase $
May			
Gross earn. ...	280,463	267,680	12,783
Oper. exp.	89,101	84,885	4,216
Net earn.	191,362	182,795	8,567
5 Mos. end. May 31			
Gross earn......	1,425,945	1,375,406	50,539
Oper. exp.	438,332	438,027	305
Net earn.	987,613	937,379	50,234

Jamaica Public Service

	1932 $	1931 $
May		
Gross earnings	61,266	68,455
Net earnings	21,842	25,917
Surp. after charges .	12,515	16,513
12 Mos. end. May 31:		
Gross earnings	800,559	845,631
Net earnings	316,980	352,269
Surp. after charges .	208,475	239,952

RECORDS MADE IN EMPIRE TRADE OF 25 PRODUCTS

Tobacco Alone Gains for Canada — Marketing Board Report

New records for Empire trade in 25 products were established in 1931 according to the annual report of the Empire Marketing Board published recently. The records consist of new high levels for imports of Empire products into Great Britain.

Canada shares in but one of these items namely tobacco where an all-time record of 6,278,000 lbs. as compared with the previous record of 6,029,000 lbs. in 1928, was achieved. The remaining records are divided in the main between Australia and South Africa which rolled up 8 and 7 records respectively. New Zealand established three new records while five other Empire countries, along with Canada, had each one new record to their credit.

Wide List of Commodities

Empire commodities which set up records include wheat and wheat flour, frozen pork, butter and eggs from Australia, frozen lamb and butter from New Zealand, eggs, sugar, wine (50 per cent increase for wine), grapes and grapefruit from South Africa, bananas from the British West Indies, and Malayan canned pineapples.

Included in the list are such comparative novelties in the United Kingdom market, as Canadian tobacco, South African apples and Cyprus oranges, all of which have done better than ever before. A large number of other commodities have just failed to make a new record this year. Thus, coffee from East Africa has excelled all past years, with the single exception of 1930, and South African oranges, totalling nearly a million cwts., were 33 per cent higher than in any previous year, except 1930.

Sees Market For Lumber

One item in the report of interest to Canada, particularly at the present time is the review of progress toward collection of accurate information and statistics on the Empire's forest resources. The board's plan is to determine how far it would be possible to supply the whole of the Empire's demands for timber from Empire forests, and says the report:

"It would appear that a vigorous policy of development and exploitation of forest resources could eventually render the whole Empire almost, if not quite independent of all foreign supplies of hardwoods. Softwoods are in quite a different category, yet it is quite clear from statistics already obtained that there is room for a considerably greater consumption of Canadian softwoods within the Empire."

The board has also assisted in the forwarding of parasitological research in Canada which is being developed under a special committee of the National Research Council here. An Institute of Helminthology at MacDonald College Quebec, was established in 1931, with the board meeting half the recurrent expenditure for a period of three years. Other items of interest to Canada are the fostering of research in British Columbia for cheese ripening and the assisting in the export of pedigree stock, cattle, sheep and pigs of which approximatley 150 have been established in B. C. since 1928.

New Chamber of Commerce

Final arrangements have been made for the establishment of a Latin-American Chamber of Commerce in Montreal, with branches in Toronto and Vancouver, according to E. Gomez, former Consul for Columbia and former Vice-Consul in New York. Jorge Gonzales, former Consul-General of Columbia is to be the secretary.

P. E. I. Lobster Landings Gain

In 1930 the landings of lobsters in Prince Edward Island amounted to about 8,082,000 pounds and last year they rose to 9,677,000 pounds, the landed value in the latter year also being higher at $572,000 as compared with $539,730 in 1930. The output of canned lobsters increased from 31,935 cases in 1930 to 37,718 cases in 1931.

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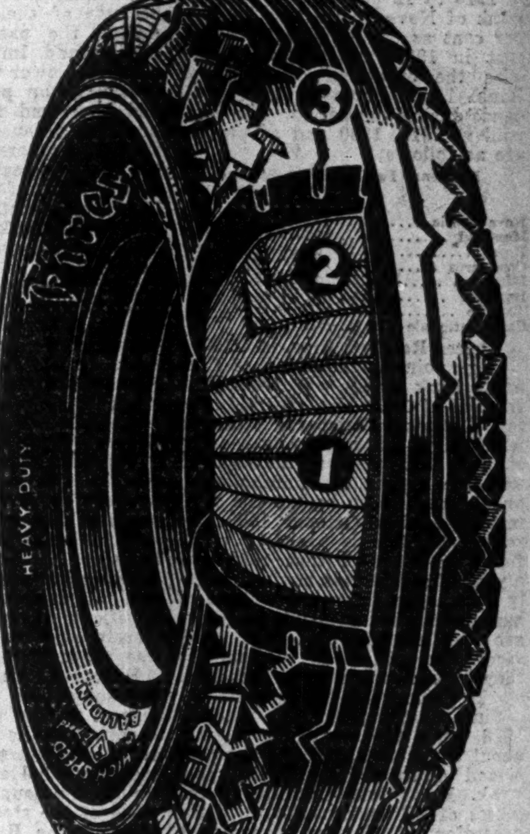

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News of Investment Markets

UNITED GAS WILL CONTINUE FIGHT TO GET MONOPOLY

First Legal Round Favors Dominion Natural Gas in East Hamilton

AFFECTS 5,500 METERS

Present Competition With Cities Service Subsidiary Affects Earnings of United Fuel

United Gas & Fuel Co., of Hamilton, Ltd., subsidiary of United Fuel Investments Ltd. has lost its first legal action against Dominion Natural Gas Co. which sought to restrain the latter company from supplying gas in that portion of Hamilton, Ont., that formerly comprised part of the Township of Barton. Mr. Justice Wright, of the Ontario Supreme Court, upholds the right of Dominion Natural Gas to construct and maintain pipe lines in this territory and to supply gas. It is announced that United Gas & Fuel Co. will appeal the decision.

Legal action was started by United Gas in December, 1931, and the statement of claim asked for a court declaration that Dominion Natural Gas was wrongfully maintaining mains in Hamilton and was wrongfully supplying gas; an injunction restraining the defendant from such acts; a mandatory order for the removal of such gas mains and payment to United Gas of $85,000 for damages.

The judgment of the court is in part as follows:

"My opinion is that the defendant company has under its franchise the right to construct and maintain its pipe lines on any highways in the territory which was within the Township of Barton on November 19, 1904, when by-law 533 became effective, whether such highways were established before or after the several areas or districts were annexed to the City of Hamilton, and to supply gas to the inhabitants of such districts. In view of these findings it follows that the plaintiff's action fails and should be dismissed. The defendant company is entitled to its costs."

Competition by Dominion Natural Gas is admitted to have inflicted heavy losses on United Fuel in East Hamilton where Dominion Natural Gas has duplicated the pipe line system of United Gas & Fuel Co. This competition combined with lower domestic rates placed in effect in 1931, a mild winter and reduction in industrial demand resulted in decreased earnings in the year ended March 31, 1932. Had the court decision favored United Gas & Fuel it is estimated that the company would have benefitted by some 5,500 additional customers.

Earnings of the company are shown in the consolidated statement of United Fuel Investments Ltd. which in the year ended March 31, 1932, showed net earnings from operations of $661,548 against $858,608 the preceding year. The only direct public interest in United Fuel & Gas is in the $1,787,500 of 5 per cent first mortgage bonds, due 1948, but earnings of the company payable to the parent company in common dividends form a substantial source of revenue from which dividends on the preferred stock of United Fuel Investments Ltd. are payable. In the last fiscal year United Fuel Investments Ltd., earned nothing on its preferred shares but paid $2 from a sum of $180,000 provided by Union Gas of Canada. This company is under obligation to pay a similar sum to United Fuel Investments Ltd., in the current fiscal year.

Maple Sugar Exports Gain

The export of maple sugar has made a satisfactory increase during the first two months of the fiscal year, the Dominion Bureau of Statistics reports.

Dominion Steel Miners Return At Old Wages

From Our Own Correspondent

MONTREAL.—Mine workers at the Bell Island properties of Dominion Steel and Coal Corp., who went on strike in protest against a 3½-cent wage cut, have returned to their work. An agreement has been reached whereby they will resume their jobs for two days a week at the old wage scale until the end of July. In the meantime the matter will be given further consideration.

Difficulties in maintaining activity in this division of the corporation's activity are seen in the fact that the company expects to sell only about 150,000 tons of ore this year. Production of iron ore in 1931 was 537,210 tons and in the preceding year, 1,450,123 tons.

Prospects for further shipments to Germany are remote. Only 80,000 tons of ore have been sold to Germany this year and it is stated that that country has an accumulation of 23,000,000 tons on hand now.

MONTREAL POWER ENTERS LAST LAP OF BIG CAMPAIGN

Starts Mailing Out Fully Paid Subscriptions to Customers

From Our Own Correspondent

MONTREAL.—Montreal Light, Heat, and Power Cons. is entering the last phase of its $25,000,000 customer ownership campaign inaugurated two years ago. The last payment from customers fell due June 15 and on July 15 the company started mailing out debentures to subscribers who have paid for their securities in full.

Delivery of the $50 debentures will entail much work and every effort will be made to expedite mailing. Each day large lots of the securities will be sent out and by the end of July it is expected that subscribers who were fully paid up at June 30 will receive their debentures.

Payments Are Active

It is stated that payments, hitherto in default for some months, have shown substantial stimulus lately. Quotations for Montreal Power common have been slightly stronger and the market for the debentures has also improved. There has been no official statement regarding the amount of subscriptions in default but it is understood this comprises a relatively small amount. One observer has placed it at 12 per cent; those close to the company say the situation is changing all the time and it is not feasible to estimate a definite figure at present.

Extension to be Granted

As previously intimated Montreal Power will grant an extension of subscription contracts for six months from June 15 to December 15 with interest adjusted at 3 per cent. It is understood that an additional period may be granted in certain cases where circumstances do not permit an earlier payment.

The debentures which are being mailed to the fully paid subscribers are for a term of seven years. Dated July 1 and bearing interest at 3 per cent they are redeemable at par on any interest date from July 1, 1937, to July 1, 1939. Holders, of course, have the option of exchanging them for common stock on the basis of one no par share for each debenture.

SMALL INVESTOR HEEDS APPEAL ONTARIO LOAN

Small Denominations Sell Well as $20,000,000 is Quickly Subscribed

COST NEAR 5.95 P.C.

Issue is Well Placed, Chiefly in Ontario; Bonds Sell at Premium as Books Are Closed

Subscription books of Ontario's $20,000,000 loan were closed on July 7 after a sales campaign of 2½ days and practically the entire issue was taken up in Ontario. Offered direct by the Ontario treasury department through chartered banks, investment and brokerage houses the entire issue was quickly taken up by private investors, a further proof of the prestige of Ontario's obligations. Institutional investors were not substantial buyers but small investors bought readily, and more than 20 per cent of the entire issue was sold in denominations of $100 and $500, a higher percentage than obtained in the National Service Loan.

In the recent Ontario loan 5½ per cent of the $20,000,000 was sold in bonds of $100 denomination and 14¾ per cent in bonds of $500 denomination, the remainder being in $1,000 denominations. The Ontario bonds offered in January, 1932, and maturing in 1947 included no $100 denominations and of the $20,000,000 issue 9¼ per cent was in bonds of $500 denomination. In the National Service Loan, issued in November, 1931, 19 per cent was in small denominations, of which 4 per cent was in 100's and 15 per cent was in 500's. Of the recent Ontario loan $4,065,000 was sold in small denominations.

Another feature of the loan was the clean-cut manner in which the issue was handled by the committee consisting of A. J. L. Haskell, Bank of Montreal; H. J. Coon, Bank of Nova Scotia, and F. W. Kerr, of F. W. Kerr & Co., with A. J. Jensen as secretary. Delivery of interim certificates was made on July 12, one week after the announcement of the issue and cheques for commission were received by dealers on the following day.

Investment bankers regard the issue as being exceptionally well placed and since the books closed the bonds have sold at a premium of up to 2½ points above the offering price of 97. Dealers were either unwilling or unable to "draw down" any substantial amount of the bonds for their own account and it is not expected that there will be any substantial volume of the bonds coming into the market.

Cost is Near 6 Per Cent

Offered to yield large and small investors alike a yield of 5.81 per cent to maturity the cost of the financing to the province will closely approximate 5.95 per cent after provision for gross commission of one point to selling agents and advertising, legal, printing and office expense to be met by the province. Under existing conditions this is comparatively cheap financing and is well under the cost of Ontario's financing in January of this year and cost of more recent loans secured by other provinces either in England or the domestic market.

The Montreal Metropolitan Commission has sold $1,800,000 of 6 per cent bonds maturing November, 1934, to the Bank of Montreal and Banque Canadienne Nationale at 99 to fund current loans.

With the successful placement of the Ontario bonds it is expected that new financing of any importance will be suspended during the remainder of July and August although with any improvement in the market many Canadian municipalities would undoubtedly seek to float loans with the public. With the possible exception of Nova Scotia, provincial financing appears to have been completed for the present. Federal and C. N. R. financing is expected to hold the centre of the stage in the autumn with several provincial issues possible, including another by Ontario. There still remains a very considerable volume of municipal financing to be done.

CHARLES GURD CO. SALES HAMPERED BY COOL WEATHER

Company Maintains Position in Face of Keen Competition

From Our Own Correspondent

MONTREAL. — Continued cool weather has tended to restrict sales of Charles Gurd and Co., ginger ale manufacturers, during the current summer season but the position of the company remains satisfactory. Advent of a hot spell always finds quick reflection in sales; to date, however, weather has been cooler than last year.

No figures on earnings are available. That they have fallen below 1931 levels is indicated by the fact that common dividends have been reduced from a former rate of $2 a share to a basis of $1.40 a share. Increased taxes, also have played a substantial part in the dividend reduction.

Competition and price-cutting in the soft drink business is still keen. In the territory served by Charles Gurd there have been marked reductions in selling prices; it is possible that some alleviation in this situation may be effected.

Charles Gurd is not considering distribution of ginger ale syrup to soda fountains for sale by the glass. It is, however, introducing new kinds of beverages from time to time to stimulate sales and a new product placed on the market for July is stated to be meeting with a satisfactory reception.

In the Maritime Provinces, served by Charles Gurd and Co., Maritime, sales are reported to have shown improvement in recent months. The Maritime company, whose plant is located in Saint John, is controlled by Charles Gurd and supplies both the surrounding territory and also looks after the export business of the parent company.

Earnings of Charles Gurd and Co. in 1931 were equal to $1.97 a share on the common and payment of the regular $2 dividend resulted in a deficit of $2,000. During last year preferred stock to the extent of $10,000 was redeemed leaving $260,000 outstanding. As yet no additional preferred stock has been redeemed this year.

The company has no funded debt and the balance sheet at the end of last year showed a working capital of $305,039 with no bank loans outstanding. In May this year, A. McA. Murphy, president, said the company was soundly solvent and stated that expenses had been budgeted down for the fiscal period.

DUNLOP STATES ONTARIO'S CASE ON RECENT LOAN

Answering critics of Ontario's direct offering of bonds in the domestic market Hon. E. A. Dunlop, provincial treasurer, has issued a statement revealing that the province first tested the London market before making its recent domestic offering; that a better price could be secured at home than in London and revealing some, but not all of the difficulties of financing in London at the present time. That Ontario had sought the London market with an issue of £3,000,000 was indicated in The Financial Post some weeks ago.

Following offering late in January, 1932, of $25,000,000 Ontario's to yield 5.9 and 6 per cent the government was strongly criticised on several counts. In practically every case the critics were unaware of the conditions prevailing at that time in the bond market and financial men, aware of the uncertain situation which formed the background of that issue, feel that the criticism was in large part unwarranted. Objections to the method of handling the recent loan are comparatively few. Mr. Dunlop's reply follows:

"There has been considerable comment on the divergence between the yield rate at which the recent Ontario loan was offered to the public, viz., 5.81 per cent., and the rate of 3½ per cent on the conversion now proceeding of the British 5 per cent war loan.

"There are a number of factors entering into the situation of which the general public are not aware, and which it is desirable they should be apprised of.

"The British conversion has been presented as a patriotic duty, an element which entered into the Dominion Conversion Loan of last year, and into the Dominion National Service Loan. This element is lacking in a provincial appeal for funds.

"Again, British Government securities are trustee investments in Britain, provincial securities are not This means that trustees of estates and of other trust funds are not legally empowered to invest trust monies in Ontario bonds, Ontario thus being shut out of a most important market for its securities. There are undoubtedly more trust monies available for investment in London than anywhere else in the world.

Exchange is Important

"A further essential feature which must be borne in mind is the present discount on sterling. A loan floated in London, realizes sterling funds. These funds must be transferred from London to Canada via New York. London is the most conservative money market in the world, and financing in London can only be done through regular channels. The usual charges covering commission and stamp duties amount to approximately 2¼ per cent a commission of one per cent on the recent Ontario loan.

The proceeds of the loan must then first be transferred to New York. The pound sterling in New York at the present time is worth only $3.57 instead of $4.86 2-3, or at a discount of approximately 27 per cent. In turn the resultant New York funds must be transferred to Canada. The U. S. dollar stands at $1.15 Canadian currency, or a premium of 15 per cent, thus recovering part of the loss on exchange incurred in the first transfer to New York. The net loss on the conversion of sterling into Canadian funds is approximately 16 per cent.

"If, for the sake of argument, it is assumed that the difference due to the patriotic appeal and the fact that Ontario bonds are not trustee securities in Britain, made a difference of 1 per cent in the market, and that therefore Ontario could sell an issue in England to yield the investor 4 per cent, by the time the proceeds were transferred to Canada, the money would cost the province approximately 5.70 per cent on a 35-year basis. The province sounded out the London market but could not, as a matter of fact, have placed a loan in London at anything like a 4½ per cent rate.

"The Provinces of British Columbia and Alberta have both recently floated 35-year loans in London in both cases at a yield of more than 5 per cent to the public, but with exchange the money in both cases costs substantially over 6 per cent to the province. But Ontario was able to borrow cheaper here, and is only committed to a high rate of interest for 14 years against the London market's call for a 35-year term.

"Had it been possible for the province to float a 14-year loan in London on a 4½ per cent basis, London, after deduction of commissions and stamp duties and loss of exchange on the transfer the money would have cost the province 6.46 per cent against 5.81 per cent paid on the recent Domestic Loan."

Bond Tenders

8 p.m., July 25, Maniwaki—$40,000, 6 per cent waterworks bonds, redeemable serially from Aug. 1, 1932 to Aug. 1, 1972. P. Joanis, sec.-treas.

July 25, Laval-sur-le-lac—$20,000 debentures. H. Gohier, sec.-treas.

July 25, Town of Noranda—$30,000, 6 per cent. 15 year serial bonds, dated Sept. 1, 1932. F. Hebert, sec.-treas.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
St. Law. Power	*6%	1935	Aug. 1	105

*Called in part.

Independent Movies Are Against British Film Quota

Fear Such Law Would Force Use on Occasion of Inferior Pictures—Always Ready to Play British Pictures on Merit

In view of the prospect of consideration by the Imperial Economic Conference at Ottawa of a British film quota plan for Canada and other Dominions, the organized independent theatre men of Ontario have placed themselves on record as being unanimously opposed to such a proposal. A resolution to this effect was adopted by the directors of Allied Exhibitors of Ontario, whose headquarters are in Toronto, and copies of the resolution are being sent to the Federal and Provincial Governments. The resolution, which was moved by Gordon Filman, of London, and seconded by William Brady, of Toronto, reads as follows:

"It is regularly moved and resolved that the officials of this organization make representation to the Government of the Dominion of Canada and to any Provincial Government interested that we, as Canadian exhibitors owning Canadian theatres and, in no way associated with United States or other interests, unanimously oppose the enactment of any law which requires us to exhibit a fixed number of productions, which may be of inferior quality and wholly unsuitable to our patrons.

"And it is further resolved that we are most anxious and willing to run British pictures in preference to any foreign product, provided that the quality and exploitation of British pictures is such that they draw patronage and thus provide box office receipts, which conditions can only be obtained by selection from competitive product and not by coercion or compulsion."

It was stated at the meeting that the independently owned theatres were always ready to play pictures of British or any other origin which had merit of their own and which were of a class that appealed to the residents of a locality who constituted the regular clientèle of a theatre. It was indicated that the exhibitors distinctly preferred to buy their features on the open market.

COOKSVILLE CO. SHAREHOLDERS APPROVE PLAN

Company Would Control National Brick on Completion

From Our Own Correspondent

MONTREAL.—Shareholders of Cooksville Co. have approved a plan to merge the properties of National Brick Co. of Laprairie with the Delson properties and Montreal business of the Cooksville Co. A new company, whose name has not yet been divulged, will be formed to take over the merged properties; Cooksville Co. will hold a controlling interest in this new organization. It may be said, therefore, that National Brick Co. has passed under control of Cooksville Co.

At the shareholders' meeting, C. G. Greenshields, president of the Cooksville Co., pointed out that many economies were possible under the plan, particularly from the angle of physical operations. He stated that the Delson plants of both companies could be operated satisfactorily by the management of the Cooksville Co., while competition would also be reduced by the merger.

National Brick Approves

National Brick Co. bondholders have approved their part of the proceedings so the plan will now go into effect. The new company will bid at the auction of the mortgaged premises of National Brick Co. in the near future and if this bid is successful the structure of the new concern will be expanded to comprise the following: $500,000, 6 per cent class "A" preferred shares, $1,562,500, 6 per cent class "B" preferred shares and 100,000 no par common shares. In addition there will be $500,000 of 6 per cent first mortgage bonds.

Of the new securities Cooksville Co. will be given all the class "A" preferred stock and 74,643 shares of the common. National Brick Co. bondholders will receive the balance of the common and class "B" preferred stock. The first mortgage bonds will be used for collateral purposes.

WATERLOO MFG. LOSS REFLECTS BAD YEAR

Waterloo Manufacturing Co. reports a loss in the year ended October 31, 1931, of $172,684 which was further increased by adjustments on inventory valuations of $12,923 and resulted in a surplus of $2,007 being changed to a deficit of $183,599. Conditions in western Canada seriously affected the company's sales and collections. Sales decreased by 60 per cent from the preceding year and interest collections also fell off.

Current assets are shown at $2,478,979 of which $1,803,036 is in notes and accounts receivable; $658,731 in inventories; $4,421 in cash and $12,791 in prepaid charges. An unstated amount of interest in arrears is not shown as an asset and it is stated that in the majority of cases of accounts receivable additional security to that of a lien on machinery has been secured. Current liabilities totalled $1,487,549 of which $1,438,472 is bank loan and overdraft secured against which is pledged $1,000,000 of 6 per cent first mortgage bonds of the company. Notes and accounts payable total $49,077. At October 31, 1930, bank loans totalled $1,438,472.

Investment in Sunshine Waterloo Co., jointly owned with H. V. McKay Massey-Harris Pty. Ltd., is carried at $250,000. The new plant has not yet been brought into full production but the company is seeking new lines which can be manufactured. Deferred charges are shown at $139,229 and fixed assets at $451,392 after deduction of depreciation reserve amounting to $34,618.

Other than current liabilities, deferred accounts and notes payable total $94,658 and the class A and B shares are carried at $1,926,509 from which is deducted deficit of $183,599. Contingent liability under agreement with Sunshine Waterloo Co. and H. V. McKay Massey-Harris Ltd. calls for contribution of further capital as required and there is also a guarantee in conjunction with H. V. McKay Massey-Harris Ltd. of bank advances to Sunshine Waterloo Co.

Steel Company Redeems Block of Funded Debt

From Our Own Correspondent

MONTREAL.—A further reduction in the funded debt of Steel Company of Canada is indicated in the payment by the company of $356,476 to the Royal Trust Co., to be applied in purchase of 6 per cent first mortgage collateral trust bonds. At the end of 1931, there were outstanding $4,438,116 of this issue, which comprises the sole funded debt of the company.

A recent declaration of regular quarterly dividends on the preferred and common shares of Steel Co. of Canada payable August 1, has proved encouraging to investors. Indications are that earnings this year are falling below common dividend requirements but the balance of profit and loss at the end of 1931 totalled $13,796,087.

BONDHOLDER FLAYS PRICE REALTY PLAN

From Our Own Correspondent

MONTREAL.—In an open letter to the Montreal Trust Co., Dr. A. Rousseau of Quebec, a bondholder of Price Realty Co., has gone on record as protesting against a part of Price Bros. & Co. re-organization scheme, which would have the effect of modifying the original guarantees given to bondholders of the realty company.

In his letter, Dr. Rousseau expresses the opinion that the plan, even though assented to by the required 70 per cent vote of bondholders, will work out to the detriment of the minority. He thinks it unjust that the rights of the subscribers to the Realty Co.'s bonds should be tampered with for the sake of relieving the burdens of Price Bros. & Co.

Bonds of Price Realty, outstanding to the extent of $750,000, contained an agreement under which the company would receive sufficient income to take care of all charges, through a notarial lease signed by Price Bros. and Co. The bondholders have been asked to take 15 year, 6 per cent income debentures on a par for par exchange. The re-organization plan provides that bondholders shall retain their security, namely, Price House.

Border Cities Tax Rates Substantially Under 1931

Defaulting municipalities in the Ontario Border Cities group which have deferred setting the 1932 tax rate until the appointment of their respective boards of supervisors have recently taken action and, as in the case of East Windsor, reported in The Financial Post last week, show in each case a reduction from the rates imposed in 1931.

Tecumseh's tax rate is set at 26 mills for public school supporters and 30 mills for separate school supporters a reduction of three and six and a half mills respectively. In Riverside the 1932 tax rate is 37 mills a reduction from the 1931 rate of 20½ mills for public school supporters and 13 mills for separate school supporters. A large part of the big mill rate reduction is due to increase of more than 20 per cent in total assessment. Sandwich West will also have a substantially reduced tax rate from the 35 mills levied in 1931.

Windsor, which has not defaulted on its obligations but which is not in a too satisfactory position, spent $392,192 in the first six months of the current year or rather less than half of the year's estimated expenditures of $839,617.

Weekly Record of Financing in Canada

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TORONTO, JULY 16, 1932

BRITISH FARMER WANTS HIS HOME MARKET

CANADIANS should not minimize the delicacy of the problem Great Britain will face at the Imperial Economic Conference in granting tariff preferences on food products. Some such preferential arrangements are essential to the success of the conference but they will involve many little noted considerations and even to Britain the question is not simply one of taxing food or not taxing food. The position occupied by the British agricultural producer is important to a degree that is little recognized. British farmers have recently been making themselves heard in their plea for protection against outside, including Empire competition.

It may amaze some people to learn that the value of the output sold off the farms of the United Kingdom exceeds the value of the agricultural production of Canada. The figures, as quoted by a writer in the London Times, are as follows:

Value of Farm Products
(Average pre-depression year)

Great Britain	£300,000,000
Canada	275,000,000
Australia	275,000,000
New Zealand	80,000,000
Irish Free State	65,000,000
South Africa	50,000,000

The figures are given as of the years immediately preceding the present depression and The Financial Post has not attempted to check them. They may easily be true but their importance should not be over-emphasized in tariff discussions. The British farmer has a total production higher than the Canadian farmer because he is near to his markets and he does not have to adjust his price to allow for shipping products several thousands of miles over land and sea; because he naturally concentrates on the higher-priced products; because a vast population makes intensive farming possible.

In any event, the figures are used by British farmers to show that United Kingdom is the senior partner in the Empire's agricultural economy and must be given first consideration in British tariffs. British agriculture wants protection against the world; with preferences to the Dominions; a two-column tariff that will give home producers ample protection.

What Britain can do for Canada in agricultural preferences is a matter to which the conference will have to devote attention. The wheat quota leaves most Canadian growers unsatisfied. Probably the best field for new Canadian business in the Old Country is in animal products, chiefly, cattle, bacon, hams, eggs, butter and cheese. Our sales of apples and other fruits may also be increased with any slight tariff advantages. All that we need in wheat and other cereals is an even break with the rest of the world.

RIDDLE OF WORLD TRADE

IN ATTEMPTING to understand the depression, one must ponder seriously upon the figures that indicate the decline in world trade, or international exchange of goods. The aggregate value of the export of these principal trading countries of the world in 1928 was $28,000,000,000; in 1929, the same; in 1930, $22,000,000,000 and in 1931, $16,000,000,000.

The decline in exports between 1929 and 1931 is over 43 per cent. In Canada, the setback has been 49 per cent.

Such a situation is disastrous to prosperity in every part of the world. The whole structure of modern economic civilization is based upon the free exchange of goods and services and when there is any breakdown in the system of exchange, there is a collapse of prosperity until the machinery can be repaired, oiled and set to work again. A report just issued by the League of Nations on the present condition of international trade showed very definitely that there is a close connection between the decline in foreign trade and unemployment. It shows, too, that the decline in foreign trade values is not due entirely to the lower commodity prices, but that there has been an enormous decrease in the volume, or quantum, of trade.

Intense economic nationalism, leading to tariff barriers that permit of no free interchange of goods, and financial measures designed to protect the internal stability of the currency of different countries are two very serious obstacles to trade development. Both have been recognized for some considerable period, but so far no country has taken the lead in clearing away any of the obstacles that it has placed in the pathways of trade. It is the sort of a job that can only be done by reciprocal arrangement and that is why the forthcoming Imperial Conference, which has the possibility of removing some of the obstacles to trade between that group of countries known as the British Commonwealth of Nations, is so important.

While the development of high tariffs during the post war years and up to the end of 1930 has been a primary cause of decline in trade, the past year has been more marked by the rise of a group of quite new, but equally serious obstacles; namely, import and export restrictions, foreign exchange regulations, etc., designed to protect national finances. Most of the countries of the world are debtor countries and under the burden of their heavy debts and as a consequence of mass withdrawals of foreign capital, many of them have been compelled to adopt drastic measures to maintain exchange rates. But the financial measures designed to accomplish this purpose have generally contributed to accentuate or even to provoke the collapse of the import trade of the countries referred to. Also, the abandonment of the gold standard by many countries has led to disparity in foreign exchange rates which should have led to the stimulation of the export trade of the countries off gold, but measures of retaliation on the part of a number of other countries have offset this influence.

The world went as far as it possibly could with tariffs and then when it found tariffs had reached the highest practical limit, it resorted to financial, monetary, and other measures designed to curb imports and stimulate exports. Practically every country in the world is attempting to boost foreign trade and to protect its home manufacturers against importations. It is a situation that has been recognized in general and blinked at in particular for some years. The League of Nations report makes it clear that there has not been the slightest wavering on the part of any single nation in its determination to export more and import less.

STIMULATING WORK

A FARMER whose labor makes him only four to seven cents an hour, cannot purchase goods that cost $1.25 an hour in the making. He cannot afford to have his machinery repaired at any such price. This view was presented by Dr. Christie, president of the Ontario Agricultural College, last week, in showing why conditions were not improving. He said that the Imperial Conference would not solve all of our problems. There would have to be a bringing down of city wages to the level of farm wages.

All practical economists will agree. So does thoughtful labor, which is today glad to find employment at 50 cents an hour where the nominal scale is $1.25 to $1.50. On that basis, with the much lower cost of living and the cutting out of extravagance and with steady employment, mechanics, particularly in the country towns, are getting on as well as they did before the war.

UNEVEN DEFLATION BARS RECOVERY

DEFLATION goes on but it is an uneven process. A letter from Washington expresses a thought that is developing in official circles there, as follows:

"One-half the business factors of the country are now unnecessarily suffering from excessive deflation because the other half will not take their share voluntarily."

In other words, those who have been able to resist the price decline have done so by every natural or artificial means at their command. Prices of manufactured products, railway rates and service charges generally have failed to decline in harmony with the decline in farm and other primary products. In this lack of balance the exchange of goods and services is thwarted. The lack of equality between the position of different classes of traders and even between different nations in respect to their trading positions makes the exchange of products and services so difficult that the depression is unduly prolonged.

Three items contribute to this lack of equilibrium in the trading structure. The one is the continuing and, in fact, increasing high level of taxation. It is difficult for manufacturers to lower their prices when each year a higher proportion of the sales revenue must be handed over to governments to spend.

The second item is waste in industry, the continuance of practices that may have been all right under a higher price level and in times of inflation. There is no use denying that some industries have failed to advance in efficiency as others have. The recent series of articles in The Financial Post on housing demonstrated the lack of aggressive thinking along the original lines in the home-building industry, although there is evidence that this situation is changing. There is, for instance, the announcement of a large American corporation it can and will reduce high housing costs 50 per cent and permit families to trade in their old houses for newer and larger models.

The third and by far the most important cause of disharmony between price levels is the resistance of organized labor to wage reductions. Some groups in organized labor have taken their cut voluntarily and have stimulated their trades. But, generally speaking, wage reductions have been fought all down the line and there has not been a sufficient readjustment of the wage factor in business to permit a resumption of prosperity at anything around present price levels. Labor is much more interested in securing prosperous times and ample work than it is in maintaining a fictitious wage level that is a barrier to full-time employment.

These three factors in business —the government, the manufacturer and the worker—alike have their rôles to play in bringing an end to depression. As they do their part, the fourth great factor in business, the consumer, will be motivated to do his part, which is to buy. At the present, there is a tendency to rail at the consumer for not going on with this normal spending, but this railing is simply a substitute for making consumption profitable and popular.

"BACK-TO-THE-LAND" — ITS LIMITATIONS

THE back to the land movement is being consciously stimulated by many organizations in an endeavor to solve the unemployment problem. Many farm boys are returning to the farm, having tasted enough of city life in times of depression. Squatters' rights are being taken on abandoned farms by city people out of work; suburban areas are being turned into garden plots for part-time operation by city workers. Industrial companies are encouraging their employees to build their small homes outside the city limits where they can raise garden stuffs to feed themselves and make themselves, to some extent, independent of industrial fluctuations.

It is inevitable that this worthwhile movement back to the land should go to extremes and that many city folk will find farm life or suburban cultivation more difficult and arduous than they originally expected. In the United States, a national committee has just completed a study of the relationship of urban unemployment to land utilization and its ideas, which have been presented to Congress, are worthy of study by philanthropic and commercial interests who have been studying land settlement as a means of lessening the shocks of unemployment.

The committee points out that city folk, unfamiliar with agricultural conditions, are prone to develop exaggerated ideas as to the quantity of land suitable for cultivation, the ease with which a living can be obtained in the country and the extent to which the unemployment problem can be solved by a back to the land movement.

Greatest justification to the movement exists in numerous cases where people are returning to the home farm, where unemployed are making arrangements to live with country relatives and where retired farmers are returning to the farms they left. But the average city person who is unemployed has not sufficient capital to purchase or even operate a farm on a rental basis, and the possibility of his having a return above subsistence is exceedingly doubtful under the present economic conditions. As it is pointed out that the chances of getting a free farm through homesteading in the United States is now very small, a statement which applies with equal force to Canada, the committee concludes that the opportunities for settlement of the unemployed in commercial farming are not very extensive or promising.

They have, however, given some study to the question of the extent to which the unemployed can look to the land for relief, short of actual settlement, and it is concluded that such relief must take the form mainly of subsistence cultivation. This means that the unemployed family going on the land can hardly count on providing itself with much more than food and shelter and fuel, and if it wants any other necessities or luxuries it must find the cash to pay for them in part time industrial work or other sources of income.

What opportunities do exist for such subsistence cultivation within these limitations? In the first place, there are abandoned farms, unoccupied summer shacks and summer residences that may be readily obtained, either free of charge or for a small outlay. It is probable that a systematic effort to discover such opportunities would reveal a considerable number, but most farms that are abandoned have been left because they are undesirable economically or socially and urban families taking them over will find it necessary to encounter hardships to which they are not accustomed.

Then there is the opportunity for establishing a home outside the city limits where the raising of food for subsistence or sale can be combined with part time employment in industry. This is a normal tendency that has been under way for a number of decades and has been promoted by the moving of industry from large cities to smaller cities or rural areas. While the tendency does not promise immediate relief for unemployment, it is in the right direction.

It is urged that cities, industrial establishments and relief agencies should provide garden plots on vacant lots or successful suburban areas where people who continue to reside in the city may raise emergency gardens. This is considered a very desirable type of relief project.

There are limits beyond which the land cannot be used as social relief in times of unemployment, but within the limitation the land is a great provider and relief agencies may well study its relationship to their problem.

POST-scripts

CRICKETERS who have been watching the Australians in Canada saw some excellent play. The pleasure of watching the team from "down-under" made up for the possible lack of excitement. There was, for instance, no situation such as existed in the Oxford-Cambridge match of 1870 which has gone down in cricket annals as one of the most thrilling finishes in history. Oxford wanted 2 to tie and 3 to win and had three wickets to go down. Cobden was bowling for Cambridge. One man was caught out after making one run. Cobden had bowled two balls and two more wickets had to be got. His third ball yorked the Oxford man. The last member of the Oxford team came out to bat; he was the only hope. Carefully planting his bat in the block he kept it there. Cobden's ball hit the batter's pads and crashed the wickets down. Cambridge had won by two runs.

THE expression "get on the band-wagon" is often used but actually band-wagons are rarely seen these days. In Montreal, however, there is a very live band-wagon which makes a visitation at odd intervals and invariably creates a furore. This relic of a better age is owned by the Montreal Tramways Co. and is rented out, complete with band, for advertising purposes. Built up in tiers and roofless so that there shall be no obstruction to sound, the triumphal progress of this street car band-wagon in full blast is a sight to stir the most hardened heart.

Its last appearance struck a new high note. As it wended its way round the city, on a hot July day observers were gratified to see the band closely followed by a snow plow which, for some unknown reason, was trundling along in a vague way. Whether the snow plow was an extra advertising attraction has not been disclosed. One thing is certain: even though Montreal has a band-wagon, it is not possible to get on it.

In the Mail

Preferences to Key Industries

Editor, The Financial Post:

Canada wants a market for her wheat, lumber, tinned goods, beef, bacon, pulp and paper.

Britain wants a market for her coal, steel, fine woollens, cotton products (many not made here), ships, and much heavy machinery that Canada has to import.

With these exchanges adjusted it would mean much for Empire trade, and would lay a foundation for other numerous exchanges that are bound to follow. If the conference is cluttered with the smaller trades, it is doubtful if the desired results will be obtained. It might create a serious dividing spirit in the whole assembly. If the major items are arranged, it will only be a short time when the volume of trade will be so large that every trade in the Empire will be well repaid for endorsing the give-and-take policy.

A. MACINTYRE BRUCE.

July 4, 1932.
St. Thomas, Ont.

Monetary Reform For the Empire

Editor, The Financial Post:

Dear Sir: In your issue of June 18, you have an item, "Imperial Currency and its Dangers."

At present, Britain, Australia, New Zealand and South Africa all base their currency systems on the pound sterling unit. The other two larger portions of the Empire have as their currency units, Canada, the dollar, and India, the rupee.

The four pounds do not circulate freely in each of the four countries. They do not even represent the same value in each country. The United States and Canada both have the dollar unit, but the American dollar and the Canadian dollar do not represent the same value, do not even maintain the same relative value from day to day.

Those who are advocating an empire currency are attempting to avoid fluctuations in currency values between the several parts of the Empire, but even when separate nations adopt the same currency unit, fluctuation is not avoided.

There is no great difficulty in knowing how many dollars and cents there are in any number of pounds and shillings, or how many pounds and shillings there are in any number of dollars and cents, if the relative value of the currencies remain constant.

The only monetary reform possible which might result in any benefit to international commerce is that a fixed relationship between the several national currency systems be agreed upon, prohibiting any exchange fluctuations. Any other proposed monetary reforms will only cause greater dislocation of industry and commerce.

Yours truly,
C. C. STUART.

June 27, 1932
Dundurn, Sask.

Trade Within the Empire

Editor, The Financial Post:

The Imperial Economic Conference will shortly assemble in Ottawa and we would like to point out to you how the British slogan of "trade within the Empire" has been overlooked or forgotten. We hope that the slogan which will no doubt be kept to the forefront of the deliberations for flag flying purposes will not be forgotten when the Conference is over. We also hope that side issues will not be allowed to interfere with the object of "trade within the Empire," and that it will be remembered that Canada has given to the Mother Country a tariff preference for about 35 years, and has also by treaty at various dates, extended trade facilities to her sister Dominions.

The preference has been of inestimable advantage to British manufacturers and coal mines, Canada is today buying large quantities of English, Welsh and Scottish coals, thereby helping British shipowners, most of the coal being shipped from the United Kingdom to Canadian ports in British vessels, but just here the slogan of "trade within the Empire" is forgotten.

Shipowners seem to be blessed with short memories, for instead of seeking return cargoes through London and Montreal brokers, they bracket New York with London. This was started during the War and has increased during succeeding years until almost the entire chartering and berthing of tramp vessels, not already fixed in London, is done through New York brokers. We presume what British Government officials did during the War has been continued to the detriment of Canadian ports, and the old established houses, until today, export grain business done through Montreal and St. Lawrence ports, appears to be entirely in the hands of New York brokers. A little reciprocity and less forgetfulness on the part of British shipowners would cement the Empire closer together instead of, as they are now doing, all turning to brokers in the United States.

Why there should be such a desire on the part of British shipowners to do business through New York is difficult to understand. Some years ago there was a growing indifference to dealing direct with Canadian customers by export merchants in London who preferred doing Canadian business through New York and United States agents. This procedure resulted in the loss of trade to Great Britain as the foreign manufacturer was quick to see that trade would result by dealing direct with Canadians. Gradually, there was a change in sentiment, perhaps helped by the "surtax" in duty on goods via United States port, but, it was not until May of the present year that Montreal welcomed the S.S. "Letitia" fitted out as a trade ship and bearing samples of Scottish manufactures, which in a real tangible way showed a change of spirit, and we hope that the example set by our Scotch brethren will be followed by other trades in doing business directly with consumers and exporters here, and revive a direct chartering trade with the merchants and brokers of the Port of Montreal.

June 30, 1932.
Montreal, P.Q.

Other People's Views

U. S. Duty on Canadian Lumber

B. C. Lumberman.—The imposition of a heavy duty on Canadian lumber entering the United States is a bad blow to B. C. operators, depriving them, as it does, of what a considerable number of them have looked upon as the "natural" market for their output. One's first thought is of the measures of retaliation that may possibly be resorted to—as, for instance, a prohibitory tariff on American hardwoods, doors, veneers, etc., in the export of which to this country the United States possesses a practical and most valuable monopoly. A later and more sane consideration, though not very consolatory at this particular time, is that this present unpleasantness is almost entirely the outcome of political machinations and will not endure. While Colonel Greeley's melodramatic brief for the group he so ably represents was a most pursuasive effort (we congratulate him most heartily for not coupling Canada with Soviet Russia as a menace to American civilization or dragging in the "bogey" of lower manufacturing costs in British Columbia), we submit it was for the most part a catalogue of the self-inflicted misfortunes of his friends rather than of the unreasonable actions of their competitors. We feel sure that the arguments of the gallant Colonel weighed little compared with the consideration that this is the year of a presidential election and that the States of Washington and Oregon were not completely certain quantities.

There was very strong opposition in the United States both to the lumber tariff in itself and to its interjection into a revenue enactment. The business of balancing the U. S. budget by wiping out the Canadian lumber import is comparable in deviousness to the now happily completed task of making Chicago virtuous but bankrupt by the expedient of imprisoning Signor Al Capone for non-payment of his income tax. It is freely granted that Canada had a competitive market for her lumber in the United States, but is not this balanced by the fact that our neighbors to the South have by far the best of the bargain in the vast supplies they export annually to the Dominion? It would appear that the United States wish to profit on every swing and on all the roundabouts. The best friends of the United States, and the majority of them reside in Canada, will regret this latest phase of her policy of particularly her tariff items with the apparently fixed idea of gaining a favorable trade balance in every single one of them. Such a policy, if indulged in simultaneously by all countries, would of course render it quite impossible for nations to trade with each other at all, and finally destroy the very basis of international commerce.

A Shabby U. S. A. Contribution

Wall Street Journal, New York—Washington would do immeasurable damage to the world, the official apology runs on, by proceeding faster than the American people on war debts; they must be left to learn the incidence of war debts in their own way, no matter how expensive it may be.

As for learning our lessons on the incidence of war debts, that end could only be hastened by our full participation in an unhampered economic conference. As for the minor objectives that may be reached by a limited conference, they represent at best only a treatment of the symptoms of a deep-seated disease. Washington's insistence on limitations speaks the determined American refusal to help attack the disease itself.

Such is the shabby American contribution to the world's preparation for the momentous conference at Lausanne. We cannot be represented there, but we cannot all be as unaware as Washington appears to be of the shock which its failure would inflict upon world finance in a time of crisis. It is not yet too late for President Hoover and Secretary Stimson to make America's amends for what it has done to injure the chances of success.

Smallest Self-Governing Unit of British Empire Is Ancient Isle of Sark

Wee Channel Isle Has No Public Debt and is Only Feudal State in World — Calls George V Duke of Normandy

At a time when the eyes of the world are being sharply focussed on Ottawa and the British Empire, the story of Sark, the smallest self-governing unit of the British Empire and the only purely feudal state remaining in the world is a unique addition to the wealth of the Empire lore which has been accumulated particularly in the past few months.

Lying in the English Channel 70 miles south of England and 22 miles from the cost of France, Sark, we learn from Sibyl Hathaway (La Dame de Serk) writing in the National Geographic Magazine, is the fourth largest of the Channel Islands. It has a history dating back A.D. 565, is but three and a half miles long and one and a half miles wide.

"It is strange to find," as Mrs. Hathaway says, "in these days of change and unrest a land where time has to a large extent stood still; yet, within a few hours' journey of London and Paris."

Has No Debt

An even stranger thing about this small feudal state is that it is the only part of the British Empire which has no public debt. In fact, it has a substantial credit balance for although there is no income tax and only a very small tax on property this, in conjunction with income from the landing tax of one shilling per passenger and the revenue from a small tax on alcoholic beverages and tobacco is sufficient to adequately balance its budget. The island is almost self supporting, has no unemployment and, according to Mrs. Hathaway, "best of all, has no politicians."

The language of the island is officially French, for although a part of the British Empire, Sark has from time immemorial been part of the Duchy of Normandy, whose Duke, William the Conqueror, invaded and took England and was thereafter recognized as King of England. To Sark, the King of England has always remained Duke of Normandy, and, therefore, George the Fifth is feudal lord of the Duke of Normandy. Everyone speaks English, which is taught equally with French in the schools so that this island of 675 habitants is truly bi-lingual. Among themselves, they only speak their own patois—a survival of the old Norman French as spoken at the time of the Conquest. It is never written and cannot be understood by anyone not brought up on the island. It is interesting that Sark was the first part of the British Empire to adopt compulsory education.

No Motor Cars Allowed

As might be expected, it has a law against the importation of motor cars, and says Mrs. Hathaway, this will be strictly enforced, "so long as I am Le Dame de Serk, for I believe there should be one spot left on earth where modern transportation can be forgotten, and where peace and quiet are undisturbed."

Sark has the privilege of making all its own laws and regulations, is subject to no Imperial taxation, and only to special legislation that may be enacted by His Majesty the King in Council.

The Parliament of the island is called the Chief Pleas and sits three times a year unless called by La Dame de Serk, in an emergency. Over this Parliament, Mr. Hathaway (the Seigneur) and his wife preside. The members are the 40 holders of farms on the island allotted originally in 1565, plus 12 deputies elected among the rest of the inhabitants. In addition, there is a Court of Justice presided over by the seneschal, an officer appointed by Mrs. Hathaway for a term of three years who has power in inflicting fines and imprisonment. Sark has its own jail, but it is hardly ever used, the inhabitants preferring to settle their differences out of court.

Mrs. Hathaway remembers hearing how in her grandfather's time, the jail was used when a young servant maid had stolen some clothes from her mistress. When the culprit was put in jail she wept so bitterly that the authorities relented and allowed the door to be open so that her friends and relatives might come and sit on the step with her knitting and comfort her.

Hard to Get Away

The secret from immunity from crime is no doubt the possibility of escape from the island after an offence has been committed, for Sark has one of the smallest harbors in the world, entirely surrounded by steep cliffs. The only means of access from the harbor to the island is a road passing through a tunnel 200 ft. long. At low tide, the harbor is dry and Sark is entirely shut off from the world.

The constable on the island serves for one year, is elected by the Chief Pleas and cannot refuse to serve. By this system almost every able bodied man at some time will take his turn at constable, which is considered an excellent means of diffusing knowledge of the law throughout the island. There is also a clerk of the court, a sheriff and a treasury.

Sark's written history begins in A.D. 565 and there is ample evidence of occupation in the Stone Age. In the sixth century a monastery was established which flourished and embraced an order of 62 monks and flourished until 1412. As years rolled on, Sark became the haunt of pirates said to be from Scotland. These were finally exterminated by expeditions from England who also left ruin in their wake. The island was occupied by the French some time early in the 16th century and was wrested from them by a clever ruse on the part of the Flemish who arrived in a vessel off the coast, pretended that their captain was dead and asked leave to bring the body ashore for burial. Once, when safely in the little church of St. Magloire, the coffin which was in reality full of arms, was opened and the French garrison was surprised and overcome.

After this it was again deserted until from the island of Jersey arose De Helier de Carteret, the 58th Seigneur of Saint-Ouen in Jersey, to whom in 1565 Queen Elizabeth granted the island conditionally by letter patent under the great seal of England. This royal grant gave unlimited powers on condition that the island be colonized with 40 families, to each of whom be allotted a portion of the land to farm. Each man was equipped with a musket for the defence of the island so that to this day it is often spoken of as the island of forty, and even now when a farm changes hands, it is still cited as one of the conditions of the Deed of Conveyance that a man with a musket shall be kept on the farm. In 1732, it was sold with all its rights and privileges and eventually came into the hands of the great-grandmother of the present Dame of the Island.

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Average Salmon Output Maintained

British Columbia's output of canned salmon in the five-year period, 1927-31 averaged 1,540,774 cases annually. This is only 92,000 cases less than the record of the previous five-year period.

Winnipeg Starts Building Activity

The City of Winnipeg's engineers department has started on a $300,000 works programme, which will consist principally of paving new streets, repairing streets and carrying out sewer extensions.

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The Week in Business

Strength in Commodity Prices is Hopeful

Business Sentiment Better in Canada

ASIDE from a welter of encouraging reparations and Empire parley news in the past week, impressive gains in cotton, hogs and sugar have afforded about the only bright spots, statistically speaking, in the business outlook. Accordingly leading weekly commodity price indices have made good gains. Alas, there have been so many false starts in the commodity world in the past two years that there is little inclination to make too hopeful forecasts for the future until a broader advance has been achieved and present gains consolidated. The trend is promising nevertheless.

From the Canadian point of view the discouraging feature of the rise has been its failure to embrace either grains or metals. Highest grade of cash wheat at Winnipeg is currently selling at about the 53 cent mark which marks new low ground since August, 1931, and wipes out entirely the gain of last year when in the first week of November, wheat soared to the 75 cent mark for the best rally since the old boom days of midsummer, 1929. The lowest point for cash wheat (No. 1 hard, Fort William basis) in recent years, was a fraction above the 50 cent mark reached in November, 1930. Current prices reflect the continued lack of export demand and also the lack of a speculative interest in the market which in the old days could be counted on to give bullish stimulus to the market whenever favorable news, appeared. At present this stimulus is almost entirely lacking and on each fresh crop of bearish news the market ebbs quietly downward.

Metal markets, in which Canada has such an active interest, also made a poor showing during the week with softness apparent in steel scrap, pig iron, silver, zinc and lead. In the United States the domestic price of copper remained steady at 5⅝ a pound delivered, but the export price was cut to 5 cents following withdrawal of important producers from Copper Exporters, Inc.

* * *

IN CANADA the business records of the week have not been encouraging but in the face of poor statistical records, a definite and hopeful improvement in business sentiment is plainly visible. Three factors stand out as being in the main responsible for improved feeling, namely the Ottawa conference; the 1932 grain crop and the normal stimulus to business for which our annual tourist influx is responsible. Certainly as the conference opens, hopes are high and the very presence of many hundred notables in political and industrial life from all parts of the Empire will unquestionably prove a helpful factor in developing what the London Times aptly terms "effective preference" for the sale of Empire goods as against the pure principle of preference which is of little avail in so many cases unless it is made effective and definitely culminates in the placing of orders within the Empire, that were formerly placed elsewhere. Early indications of tourist trade show fairly considerable declines from last year which is to be expected, but this may be overcome to some extent by the added attraction of the Empire meet.

Of the wheat crop little doubt now remains but that a bumper yield will be forthcoming. The real key to the situation lies in the prospects of marketing the crop and until some clearer picture of the possibilities in this respect, are forthcoming, the possible benefits of a heavy crop must be construed with caution.

Business Conditions in Canada

FORD AUTO LEADS ONTARIO FIELD IN MAY SALES

Chevrolet Takes First Place in Eastern Canada Total, However

Release of the new Ford four and eight, boosted sales of that automobile in Ontario to the top of the May list with a slim lead over Chevrolet. These two automobiles combined accounted for more than 50 per cent of the provincial sales. Plymouth with sales of 438 cars, less than half those of Ford or Chevrolet, is in third place and well ahead of any other make, according to figures analyzed by The Financial Post from data compiled by Might Directories and published in Canadian Automotive trade.

Chevrolet led the field in the other eastern provinces followed by Ford. Plymouth was in third place in all provinces with the exception of New Brunswick where that place is taken by Pontiac.

Total sales for Eastern Canada for May were 6,618 cars or slightly more than one-half of the May, 1931, total and only about a third of the 1930 total for that month. Chevrolet has a comfortable lead with May sales of 1,888 units. Ford with 1,492 sales and Plymouth with 645 come next and are followed by McLaughlin, Pontiac and De Soto in that order.

Five Months' Figures

Figures for the first five months of the year show that nearly one-third of the automobiles sold this year in Eastern Canada were Chevrolets and that this total is nearly double that of the nearest competitor. The standing of the first six makes in the five months is the same as in the May list.

The two Chrysler subsidiaries, Plymouth and De Soto are the only makes to show better sales this year than last although Studebaker, McLaughlin and Dodge have stood up well.

May and five months' sales of the leading makes follow:

Auto Sales In Eastern Canada

	May, 1932	5 Mos. 1932	5 Mos. 1931
Chevrolet	1,888	5,825	8,755
Ford	1,492	2,969	8,404
Plymouth	645	1,371	753
McLaughlin	351	1,268	1,766
Pontiac	339	1,165	2,736
De Soto	301	582	549
Dodge	191	624	908
Chrysler	201	598	1,134
Studebaker	160	505	656
Essex	197	496	1,244
Durant	158	470	1,015

Commercial Car Sales Led by Chevrolet

Business in the commercial car field in May was very slack in Eastern Canada, total sales for the month being less than half the May total of 1931. Sales of heavy duty trucks are most seriously affected as the market is glutted with used models, and the Ford and Chevrolet light delivery vans and trucks account for 60 per cent of sales for the month.

Total sales for the month amounted to 1,087 units of which Ontario accounted for 485, Quebec for 398, Nova Scotia for 117, New Brunswick for 80 and Prince Edward Island for seven.

For the first five months of the year, sales totalled 3,344 compared with 5,782 for the same period of 1931. Chevrolet, Ford and International are the leading makes in that order. Sales of the principal makes are:

Commercial Car Sales

	May, 1932	5 Mos. 1932	5 Mos. 1931
Chevrolet	449	1,291	1,738
Ford	215	732	2,247
International	81	269	195
Dodge	64	200	309
G. M. C.	51	186	257
Rugby	43	121	214

Fisheries of British Columbia

The fisheries of British Columbia now constitute one of its principal industries. The total value of output of the fisheries of the province in 1931 was $11,109,822. The size of the annual revenue from the British Columbia fisheries is dependent chiefly on the size of the salmon pack. Last year the total marketed value of the salmon, including used fresh, canned, dry-salted, etc., was $7,196,174.

Business Sentiment Better in Canada

	Canada	United States
Commodity Prices:	Wheat and grains fail to gain with other commodities—export demand poor.	All indices show steady advance in many items—outlook hopeful.
Iron and Steel:	Demand for small items starts Sydney and Algoma mills again.	Plants operate at 12 per cent or lowest level on record.
Foreign Trade:	Need for market for 1932 wheat crop looms as Canada's big problem.	May imports drop 32 p.c. from 1931; exports lower by 35 p.c.
Carloadings:	Loadings before adjustment for holiday at low point for year.	Estimated requirements of industry for third quarter, 21 p.c. below 1931.
Employment:	Lumber and construction lines continue slack—textiles gain.	Automobile activity, falling unexpectedly below May levels.
Foreign Exchange:	Tourist business though below normal expected to help Canadian dollar.	Lausanne agreement causes weakness in most foreign currencies.
Stock Markets:	Bank stocks add $25,000,000 to market valuation in few days.	Foreign bonds alone make good response to Lausanne agreement.
Week's Highlight:	June-July records none too satisfactory but general tone of business sentiment much improved.	"Gentlemen's Agreement" of Lau-Lausanne puts onus for settlement on shoulders of U. S. A.

Most Cities Feel Effect Of Slump in Rentals

First Real Decline in Rentals Since War Hits West Hardest — Fredericton Alone of 52 Cities Shows Increase

The first appreciable decrease in rentals that has occurred since the war, took place throughout Canada during May last.

For all Canada the decline since October 1, 1931, was 5.4 per cent while for different types of middle grade dwellings, the drop was fairly uniform, duplex apartments showing a decline of only 4.8 per cent; houses, 5.4 per cent; flats and apartments, 5.7 per cent. The index is calculated semi-annually by the Dominion Bureau of Statistics. In the same period, living costs as a whole have declined 5.3 per cent or 0.1 per cent less than the fall in rentals. Foodstuffs in the same period have dropped 11.9 per cent.

Analyzed by areas, western cities show the heaviest decline in the six month period. Data from 18 western centres show declines ranging from 10 to almost 20 per cent in the half year. Indices in Maritime provinces are still above average but they have recently shown a decline at about the same rate as elsewhere. When compared with October, 1928, Maritime rentals are now anywhere from 8 per cent higher to 6 per cent lower. Most of the data for larger cities in Ontario and Quebec point to a drop of about 6 per cent.

Rentals Show Lag

According to the Bureau's index, rentals reached their peak in May, 1930, at 106.5 (1926 equals 100) while the figure for May, 1932, was 93.9. Rentals failed to show any downward tendency in 1920 or 1921 when the prices of other commodities dropped so sharply. Likewise they did not respond in the present depression until somewhat more than a year after wholesale prices and the better part of a year after retail prices.

Analyzing rental changes in the past six months period it is found that in the middle grade of houses, duplexes, flats and apartments, between 57 and 63 per cent of properties recorded lower rentals. Less than 1 per cent showed an increase in rents in the period. Until this recent decline in rentals from October, 1931, to May, 1932, considerably more than half the rentals covered in the bureau survey, had remained stationary since June, 1929. At June, 1929, roughly 40 per cent of properties analyzed, showed higher rentals than in the preceding six month period. The most stationary period for rentals was from October, 1929, to May, 1930, when 80 per cent or more properties recorded no change in rentals.

Fredericton Alone Gains

Of a total of 52 cities from which the bureau receives returns, only one namely Fredericton showed an increase in rentals for the six-month period ending May, 1932. Four centres, namely Charlottetown, P.E.I.; Amherst, N.S.; St. Hyacinthe, P.Q. and Brockville, Ontario, showed no change, while the remaining 47 showed a decline.

According to the various indices for each city, Halifax is still the most expensive city in which to live from the viewpoint of rentals, while Drumheller is the cheapest. The Halifax index now stands at 108.1 which means an 8 per cent increase over average prices in 1926, while Drumheller with an index of 81 has shown a decline of 19 per cent in the six-year period. The most important changes in various cities were declines of over 9 points in the indices of Woodstock, Moose Jaw, Saskatoon, Lethbridge and Prince Rupert. Brantford index dropped 7.2 points to 88.8 while Oshawa was lower by 8.2 at 82.7.

Comparative figures for 52 cities for May, 1932, and May, 1931, and also for October, 1931, follow:

Index Numbers of Rentals—May, 1931, Oct., 1931, and May, 1932
(October, 1928 = 100)

City:	May, 1931	Oct., 1931	May, 1932
Charlottetown	100.0	100.0	100.0
Amherst	103.0	103.0	103.0
Halifax	109.2	109.2	108.1
Sydney	101.5	101.5	97.2
Bathurst	100.0	100.0	95.5
Fredericton	100.0	100.0	102.6
Saint John	99.6	99.6	93.6
Montreal	100.6	98.4	93.9
Quebec	99.1	99.1	95.4
St. Hyacinthe	100.0	100.0	100.6
Sherbrooke	102.2	99.3	94.6
Brantford	98.9	96.0	88.8
Brockville	102.7	102.7	102.7
Chatham	97.7	94.1	90.1
Fort William	95.8	92.6	89.1
Guelph	99.7	96.2	95.8
Hamilton	103.8	99.9	95.8
Kingston	107.4	107.4	104.1
London	104.6	101.4	96.5
Niagara Falls	94.8	92.2	89.2
North Bay	100.0	98.0	91.5
Oshawa	93.9	90.9	82.7
Ottawa	106.3	105.0	101.4
Owen Sound	105.0	102.9	97.2
Port Arthur	99.1	96.0	91.2
St. Catharines	99.6	94.0	90.3
St. Thomas	95.5	92.4	87.5
Sarnia	100.7	97.3	93.6
Sault Ste. Marie	102.6	102.6	98.6
Stratford	95.4	93.4	86.5
Sudbury	106.0	101.2	97.6
Toronto	101.7	98.5	93.1
Windsor	101.2	97.7	91.9
Woodstock	100.5	97.4	88.3
Brandon	101.4	98.6	95.2
Winnipeg	98.6	93.5	88.9
Moose Jaw	94.3	89.8	80.7
Prince Albert	100.5	97.0	90.7
Regina	91.2	86.7	80.4
Saskatoon	97.1	93.7	84.6
Calgary	92.4	87.1	81.4
Drumheller	95.1	89.1	81.0
Edmonton	98.0	95.3	91.0
Lethbridge	101.6	96.6	87.4
Medicine Hat	103.4	102.6	94.7
Fernie	97.7	97.7	91.6
Nanaimo	97.3	97.3	93.0
Nelson	99.5	97.1	87.8
Prince Rupert	99.0	98.6	90.6
Trail	104.4	98.2	92.7
Vancouver	96.8	92.3	85.8
Victoria	99.9	97.6	91.5

Allied closely to the matter of rentals is the question of construction costs. In recent months the movement of building and construction materials prices has been roughly on a parallel with the general level of wholesale prices. There has been no tendency for the gap between the two which developed in 1931, to close. This was due largely to the firmness of prices for structural steel, brick, cement, etc., a group index for which was 89.8 for May, 1932, as compared with 89.6 for January, 1931. Paint materials have been moving along steadily below the general wholesale price level for some time, corresponding indexes being 70.1 for January, 1931, and 63.0 for May, 1932.

The lumber index has dropped from 81.7 to 69.6 in this same period, bringing it down from 5.8 points above the geenral index to only 1.9 points above. The general wholesale price series was 75.9 in January, 1931, and 67.7 in May, 1932, while comparable building and construction materials figures were 84.0 and 78.0 respectively. Wholesale prices of most descriptions have exhibited a much greater degree of stability in 1932 than was apparent in the preceding twenty-eight months.

All index members quoted use 1926 equals 100 as base with the exception of the rental figures for cities.

Business Briefs

Average Value of the pound sterling declared for special duty purposes by the Department of National Revenue is $4.10, effective for entries during the period July 16 to 31 inclusive.

West Coast Lumber Mills operated at 21.2 per cent of capacity in the week ended June 11 as compared with 19.2 per cent in the previous week and 43.4 per cent in the same week of last year, according to figures compiled by the West Coast Lumberman's Association from returns from 321 mills. During the week 202 of these plants were closed down and 119 operating.

Car Loadings for the week ended July 2 amounted to 36,272 cars which was a decrease from the previous week's loadings of 3,030 cars, but after adjustments were made for the holiday (July 1) the index number rose from 62.14 to 66.77.

Canadian Wheat Stocks in elevators and afloat in Canada and the United States for the week ended July 1 showed a further increase, being 139,663,534 bu., compared with 137,697,577 bu. for the previous week and 113,823,170 bu. for the same week of past year.

FOOTWEAR OUTPUT RECOVERS IN MAY

Monthly Total Again Above 1930 Figure After April Slump

After getting off to a good start in the first two months of the year, production of boots and shoes is now falling behind that of last year although still higher than the figures for 1930. Prices, of course, are tremendously cut and are currently at their lowest in two decades.

Lessening of demand for imported footwear has helped local manufacturers while increased tariffs have also helped to eliminate overseas and United States competition. In this regard it is interesting to note that imports of boots and shoes which totalled 1,038,615 pairs in the twelve months ended May, 1931, were reduced to 516,939 pairs for the following twelve months.

After falling below the 1931 and 1930 monthly figure in April, Canadian production of boots and shoes made a good recovery to top the 1930 figure by 131,000 pairs and fall only 84,700 pairs short of the record May total of 1931. This increased May production again placed the monthly average for 1932 of 1,480,506 pairs above the average for 1930 of 1,474,828 pairs and only slightly below the 1931 average for the first five months of 1,514,079 pairs.

United Kingdom, United States and Czecho-Slovakia divide May imports of 60,365 pairs worth $106,803, almost equally by value, the low priced article coming for the last named country.

Production in the first five months of 1931 and 1932 was:

Production of Boots and Shoes

	1931 Pairs	1932 Pairs
Jan.	984,924	1,112,192
Feb.	1,276,965	1,558,413
Mar.	1,729,930	1,720,208
April	1,669,917	1,523,492
May	1,740,792	1,656,088

March Gasoline Sales Up 3,500,000 Gallons

Gasoline sales for March totalled 27,663,888 gallons for all Canadian provinces with the exception of Saskatchewan for which statistics are not yet available, as compared with sales of 24,157,570 gallons for all Canada in February. With the exception of Quebec all provinces record increases as compared with the previous month.

Sales by provinces were:

	February Gallons	March Gallons
Prince Ed. Island	26,075	38,708
Nova Scotia	606,693	900,757
New Brunswick	380,681	827,361
Quebec	4,249,359	4,235,992
Ontario	12,863,830	15,449,445
Manitoba	1,081,013	1,375,817
Saskatchewan	780,450	not available
Alberta	1,800,608	1,924,624
British Columbia	2,368,861	2,911,184
	24,157,570	....

Wheat Clearances overseas during the week ended July 1 totalled 4,015,410 bu. as compared with 3,447,647 bu. exported in the same week of 1931. Montreal handled 1,699,000 bu., Vancouver 1,000,000 bu., Sorel, P.Q., 926,900 bu. and United States the remainder.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1932	Weekly Latest 1931	Cumulative Jan. 1 to date 1932	Cumulative Jan. 1 to date 1931
Transportation—				
Car loadings (July 2)	36,272	50,398	1,075,129	1,258,940
C.P.R. gross earn. (July 7)	$ 2,220,000	$ 2,731,000	$ 59,860,000	$ 74,721,000
C.N.R. gross earn. (June 30)	$ 4,100,812	$ 4,919,050	$ 70,187,818	$ 88,275,845
	Monthly			
C.P.R. net earn. (May)	$ 737,365	$ 1,074,249	$ 3,673,263	$ 4,886,535
C.N.R. net earn. (May)	$ 731,794	$ 440,689	$ 1,180,818	$ 1,434,040
Iron and Steel—				
Pig iron, tons (May)	13,339	50,511	69,038	243,400
Steel, tons (May)	29,289	75,235	162,370	406,272
Automobiles prod. No. (May)	8,221	12,738	32,557	59,250
" exports, No. (May)	374	1,569	2,317	9,367
Construction—				
Building Permits (May)	$ 5,289,506	$ 12,115,291	$ 18,190,794	$ 50,356,550
Contracts (June)	$ 12,154,700	$ 29,793,400	$ 74,761,200	$ 162,937,600
Newsprint—				
Production, tons (May)	175,890	202,610	842,880	944,350
Exports, tons (Apr.)	138,785	152,360	625,793	650,503
Sugar—				
Imports, raw, lbs. (May)	98,571,500	144,866,300	268,411,800	307,303,400
Melt. & ship., lbs.	75,005,015	72,933,181	§282,554,851	324,727,425
Manufactured, lbs.*	73,721,634	60,359,926	§273,800,533	311,551,974
Flour—				
Production, bbls. (May)	1,040,693	1,183,280	4,781,163	5,527,658
Wheat flour exp., bbls (May)	461,867	481,265	1,801,365	2,174,964
Other Industrial Indices—				
Lumbering: Plank & board exports mill ft. (May)	62.94	80.77	297.39	372.53
Boots & shoes, pr. (May)	1,656,088	1,740,792	7,570,393	7,402,528
Petroleum, imp. crude, gal. (May)	109,520,000	107,210,000	337,031,589	346,980,908
Cotton, imp., raw, lbs. (May)	12,463,000	8,405,000	42,507,000	40,938,000
Rubber, raw, imp., lbs. (May)	3,171,000	6,155,000	20,322,892	25,684,491
Coal, imports tons (May)	1,039,887	1,191,017	3,432,136	4,167,411
Gasoline sales, gals., (Mar.)	27,663,888	....	81,787,845	....
Trade—				
Imports (May)	$ 44,353,710	$ 73,457,404	$ 201,296,804	$ 301,390,060
Exports (May)	$ 40,594,404	$ 59,833,245	$ 182,117,221	$ 237,307,082
Wheat exports, bus. (May)	15,543,013	29,521,699	52,348,645	67,103,490
Labor—				
Employment Index (May)	87.5	102.2	....	....
Electric Power—Output—				
M. Kilowatt hours (May)	1,273,519	1,365,786	6,747,850	7,022,142
Finance—				
Failures, No. (Apr.)	190	175	857	781
Failures, Liabilities (Apr.)	$ 3,170,679	$ 3,184,198	$ 14,279,102	$ 15,026,005
Bank Debits† (May)	$ 2,175,000	$ 3,171,608	$ 10,334,024	$ 13,731,606
Bond sales (May)	$ 24,423,371	$ 27,477,027	$ 139,429,091	$ 274,168,114
Insurance sales (May)	$ 30,998,000	$ 41,314,000	$ 177,570,000	$ 215,275,000
Automobile Financing:				
Used cars (May)	$ 1,768,939	$ 2,877,442	$ 5,739,999	$ 10,135,446
New cars (May)	$ 2,025,498	$ 3,439,738	$ 6,020,723	$ 10,536,332

*Four weeks' period, May 28 to June 18. §Jan. 1 to June 18.
†(000's omitted).

GOOD PROSPECTS FOR CODFISHERY IN NEWFOUNDLAND

Business Quiet But Prospects for Remainder of Year Improve

Favorable portents for a good codfishery in Newfoundland this year continue, according to latest information from that Dominion, given The Financial Post this week. Other factors for the immediate outlook are somewhat mixed but strong hopes are held out for achievement of some benefits at the coming Imperial Conference.

Since over half the entire population of the island is either directly or indirectly dependent upon the success of the codfishery the results of the 1932 catch now underway are of first-rate importance to the economic life of the country. No great improvement in business is looked for immediately until the results of the 1932 catch are felt, but with the new government under the Hon. F. A. Alderdice, in power, there are indications that the future is being faced with more confidence that was previously noticed.

Volume of trading decreased appreciably in the second quarter, and collections continued poor. Response to the new $2,500,000 bond issue of which $1,750,000 was underwritten by Imperial Oil Limited, was at first slow, but announcement last week by the government that the loan had been fully subscribed is an encouraging factor. This new loan increases the debt of the colony to $97,500,000.

Fishery Late This Year

Commencement of the codfishery this year was practically a month late, but early returns from the Grand Bank area reports all banking vessels, although less in number, as meeting with good fishing with quality above the average. Outfitting for the Labrador has been curtailed considerably although a fair number of vessels are now on their way north. On the other hand, Newfoundland will have less competition from Lunenburg this year as only a few vessels are fishing from that port.

Not only are prospects for the fishery good, but outlook for both prices and sales also show improvement. Reports from foreign fish markets are said to be encouraging, with consumption good in both South America and Europe. Shortage of Iceland's catch recently helped to stimulate prices in Europe or in Brazil, current quotations are 38 to 40 shillings per drum as compared with 35 to 37 shillings per drum at this time last year. In Oporto, prices for new cod are from 3 to 5 shillings below a year ago. Stocks in most importing countries continue low and the chief concern is as to the size and quality of the Newfoundland catch rather than the price which will be obtained for the fish. There is a general feeling of optimism among the fishermen who are going back to the sea with a better heart than for several years.

Salmon fisheries so far this year have been disappointing, it is said. The catch shows a marked decrease in comparison with the same period last year. Some improvement may be achieved later on as the season has been backward. Fishermen are being paid on an average of three to four cents per pound and the demand in England for frozen salmon has been quite steady, which is encouraging.

Wage cut announcements by Dominion Steel & Coal Corp. and by International Paper have had a depressing influence recently. Effective July 1, all hourly rates were to have been reduced 3½c. per hour by Dominion Steel & Coal which caused a walkout of every man on the island. Subsequently announcement was made that these proposed reductions would be deferred till Aug. 1, and the miners are being urged to return to work. At Corner Brook, International Paper announced a 10 per cent cut in wages effective July 9. At Grand Falls, reductions of 10 per cent and 15 per cent were first announced last February but just this week a final settlement of 8 per cent was agreed upon.

Imperial Conference Hopes

In the meantime Newfoundland looks forward with confidence to the Imperial Conference. Hon. F. C. Alderdice and eight other delegates are officially attending while three delegates from the Newfoundland Board of Trade will also be present to make the island's case in respect of fisheries and fishery products, particularly cod liver oil, iron ore, and wood. The island's chief hope from the Conference is that it may obtain a larger market in Great Britain for its iron ore.

It is hoped that arrangements can be made to market an additional one million tons of iron ore in England. In 1925 at a London Economic Conference, Premier Monroe made a strong bid to market additional ore in England, but at that time lack of suitable equipment for treating this particular type of ore and also proper landing facilities made the task a difficult one. Since that time, the new Ford plant in Wales has been built and is using a substantial quantity of this ore. It is also used to a considerable degree in Germany.

Iron ore operations have been curtailed to a basis of two days per week since April 1, while the Dominion Steel & Coal Corp. staff have only been working three days a week since May 1. Comparison of operating figures for 1932 up until May 31 as compared with the same period a year ago is as follows:

	1932	1931
Ore mined, tons	146,596	323,147
Ore on surface (May 31), tons	242,619	424,364
Ore shipped to May 31, tons	8,570	152,218
Average No. men employ.	950	1,603

A shipment of 11,400 tons of ore went forward to European markets on June 1, but total shipments for the year, it is believed, will not exceed 250,000 tons. The company will not ship ore this year to their Sydney plant.

Two bright spots in the economic life of the country are as usual, Buchan's which continues to operate at capacity employing approximately 1,000 men and the pulp and paper mills at Grand Falls, and Corner Brook with a combined output of 875 tons daily which continued to operate at capacity and give steady employment to a large number of men.

Newfoundland hopes also to improve the market for its cod liver oil, within the Empire. Large quantities of Norwegian and other foreign oils are being purchased in spite of the fact that exhaustive tests have pronounced Newfoundland cod liver oil of unquestionable quality and actually superior to other grades of Norwegian, Iceland, or Scottish cod liver oil.

The demand for oil this year has been light but in face of this practically all of last year's stock has been disposed of. Newfoundland oil last season was of high quality and it is hoped that the standard will be maintained. Prices have been remaining more or less fixed for the last twelve months, running in the vicinity of $25 per barrel.

An additional market for wood and wool products is also desired, as a result of the Empire meet.

British Demand Helps Cattle Export Trade

Since the fall of 1930, when the export market for Canadian cattle in England was opened up again after being closed for about two years, exports of cattle have gained steadily.

During the twelve months ended May 31, exports have totalled 58,903 beef cattle as compared with 42,315 in the previous twelve months. The value of the former was $3,612,840 of which Great Britain's share was $2,217,004.

The trade will have to go a long way, however, in order to recover the losses occasioned by the closing of the United States market through prohibitive tariffs. Prior to the raising of the United States tariff in June, 1930, Canada had been doing a cattle business with that country of about $10,000,000 a year and a few years previously it has been as high as $20,000,000. This was, of course, when Canadian cattle were admitted free to the United States.

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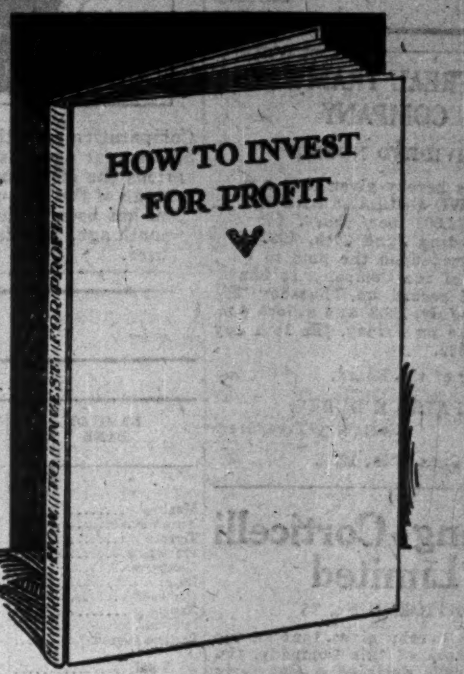

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NOTICES

SALES MANAGER WANTED Western Canada

Montreal manufacturing firm already established in Winnipeg and expanding into Alberta and Saskatchewan wants sales manager with headquarters in Winnipeg. Prefer man with bakery trade connection and accustomed to handle perishable line. Must be under 40 years of age. Write fully to Box 42, The Financial Post, 1070 Bleury Street, Montreal. All replies confidential.

THE ONTARIO MUNICIPAL BOARD

NOTICE IS HEREBY GIVEN that the municipality of the Town of LaSalle has become subject to the provisions of Part VI of the "Ontario Municipal Board Act, 1932," by an Order of the Ontario Municipal Board bearing date the 28th day of June, 1932, and from and after the first publication of this Notice in the "Ontario Gazette" all actions or proceedings against the said Municipality are stayed and thereafter no action or other proceeding against the said Municipality shall be commenced or continued nor shall a levy be made under a Writ or Executiion against it without leave of The Ontario Municipal Board.

DATED this 28th day of June, A.D., 1932.

H. C. Small,
Secretary of The Ontario Municipal Board.

The Eastern Car Company, Limited

BONDS

NOTICE IS HEREBY GIVEN that The Eastern Trust Company under the provisions of the Mortgage dated the first day of July, Nineteen Hundred and Twelve (1912) to secure the bonds of The Eastern Car Company, Limited, will receive offers up to noon on Friday, the twenty-ninth day of July, 1932, from persons willing to sell the whole or any part of the bonds of the said The Eastern Car Company, Limited, purchaseable by a sinking fund payment of Twenty-eight Thousand Nine Hundred and Twenty-four Dollars ($28,924.00).

Parties offering must state the par value of bonds tendered and price delivered at Halifax.

The Trustee reserves the right to reject any and all offers in whole or in part. Bonds accepted are to be delivered on or before August 5th, 1932, and interest on accepted bonds will cease on that date.

THE EASTERN TRUST COMPANY
TRUSTEE

184 Hollis Street,
Halifax, N.S.
2nd July, 1932.

DIVIDEND NOTICES

CONIAURUM MINES LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of three cents (3c) per share on the issued capital stock of the Company will be paid on the 15th day of August, 1932, to shareholders of record at the close of business on August 1st, 1932.

By order of the Board.

H. WHITTINGHAM,
Secretary-Treasurer.

Toronto, July 7th, 1932.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

SOUTHERN CANADA POWER COMPANY LIMITED

Common Dividend No. 29

A DIVIDEND of Twenty-Five Cents (25c) per share, being at the rate of $1.00 per annum, on the NO PAR VALUE COMMON STOCK OF SOUTHERN CANADA POWER COMPANY, LIMITED, has been declared for the quarter ending July 31st, 1932, payable August 15th, 1932, to shareholders of record at the close of business on July 30th, 1932.

By order of the Board.

L. C. HASKELL,
Secretary.

Montreal, June 23rd, 1932.

Canadian Dredge & Dock Co. Limited

PREFERRED DIVIDEND NO. 18

Notice is hereby given that a dividend of one and three-quarter per cent (1¾%), being at the rate of 7% per annum, has been declared on the outstanding 7% Cumulative Sinking Fund Convertible Preferred Shares of Canadian Dredge & Dock Co. Limited for the quarter ending July 31st, 1932, payable August 1st, 1932, to Shareholders of record at the close of business on July 19th, 1932.

By Order of the Board.

T. C. Luke,
Secretary.

MONTREAL TRAMWAYS COMPANY

DIVIDEND NOTICE

Notice is hereby given that a d: dend of TWO DOLLARS AND FIF CENTS ($2.50) per share, for t quarter ending June 30th, 1932, l been declared upon the paid in Ca ital Stock of the Company, to Shar holders of record on Thursday, th 7th day of July, 1932, at 4 o'clock p.m. and payable on Friday, the 15th day of July, 1932.

By order of the Board.

PATRICK DUBEE,
Secretary-Treasurer.

Thursday, June 30th, 1932.

Belding-Corticelli Limited

DIVIDEND No. 25

Notice is hereby given that on the Common Stock of this Company, the Directors have declared a Quarterly Dividend of 1¼%, payable on the 1st day of August to Shareholders of record at the close of business the 15th day of July, 1932.

By Order of the Board,

D. F. POLLOCK,
Secretary.

Belding-Corticelli Limited

DIVIDEND No. 71

Notice is hereby given that on the Preference Stock of this Company, the Directors have declared a Quarterly Dividend of 1¾%, payable on the 15th day of September to Shareholders of record at the close of business the 31st day of August, 1932.

By Order of the Board,

D. F. POLLOCK,
Secretary.

WHEAT SHOWS IMPROVEMENT EVERY WEEK

Crop Prospects Still Continue Excellent With Few Worries

UNIFORM GROWTH

Reasonable Expectations Call for 425 to 450 Million Bushels—Prospect of More

From Our Own Correspondent

WINNIPEG. — Crop conditions in Western Canada continue to be generally excellent, with a large total yield in prospect. It is still much too early to make any estimate of crop out-turns, but present indications warrant a reasonable expectation of 425 to 450 million bushels of wheat. A larger total yield, even one considerably larger is not impossible, but to get the maximum production out of the present stand would require ideal weather conditions from now until the close of harvest, and these conditions would have to vary in accordance with the requirements of different districts.

The Peace River district, in northern Alberta; a fairly small part of southern Saskatchewan; and two districts in Manitoba, one in the east and the other in the southwest, now appear to show the least promise. These districts missed the early rains which occurred in most other parts of the West, and while subsequent precipitation has helped the situation it has not overcome the fact that the usual stooling did not occur, giving a thin stand, and in addition the grain came on toward maturity on a short straw. Complete filling of the existing heads, if it occurs, will alleviate the situation in those districts where anything like a good yield is impossible.

Crop Unusually Uniform

But taking the West as a whole, there has not been for years such a small area of really poor crop, nor so large an area in which conditions range from fairly good to excellent.

The former drought area of Saskatchewan promises to do well, for not only has rainfall been sufficient to keep the crop growing, but there has been an absence of the hot, dry weather which has been constantly feared as likely to weaken a crop where the sub-soil, owing to conditions of the previous three years, is still extremely dry.

Southern Alberta, from present conditions, is likely to be the district of heaviest crops. That district, as has been shown in the past, has remarkable productive powers when rainfall during the growing season is adequate, tending to make for very light returns which may be experienced in several successive dry seasons.

Rainfall Hard to Gauge

While rainfall this year has been generally good, it has come rather in a succession of showers of a more or less local nature, than in consistent rains over a whole district. This makes the records of the rain gauges at different points a somewhat inadequate measure of general conditions, for conditions may vary considerably within a few miles. There has been some hail, but total losses on this account have been comparatively light.

Actual damage from grasshoppers to the crop has so far been comparatively light. The poison campaign in Manitoba largely kept them out of the crops when they were in the hopping stage, and tended to confine them to the grass lands where they had been hatched. Millions were destroyed, but other millions still remain, and now that they are in the flying stage it is impossible to guess what may happen. Cool wet weather has tended to check their activities, and in addition, to provide them with new supplies of tender feed without the necessity of taking wing to the grain fields. There appears to be general confidence among farmers that the total crop damage will not be great, in spite of recorded destruction of some crops in isolated cases. Unexpectedly grasshopper outbreaks were reported in parts of Saskatchewan and Alberta, and somewhat belated poison campaigns were undertaken in limited areas.

No Rust Worry Yet

Rust is an ever-present danger, and government agents, as is practically always the case, have been able to discover traces of it in various fields. But rust requires a fairly extended period of warm and muggy weather before its damage becomes significant, and such weather has not so far occurred. Up to the present, fears on this score are not entertained.

At the beginning of the season there was a general idea that the crop would be late in maturing. On the contrary, conditions over a considerable area have been such as to bring the crop along rapidly, and it is quite possible that a good deal of harvesting will be in progress by the first of August. Farmers are already laying in their supplies of binder twine. There are other areas, particularly in Alberta and in northern Saskatchewan, where crops will be much slower in developing, and the harvest season is in consequence likely to extend over a considerable period.

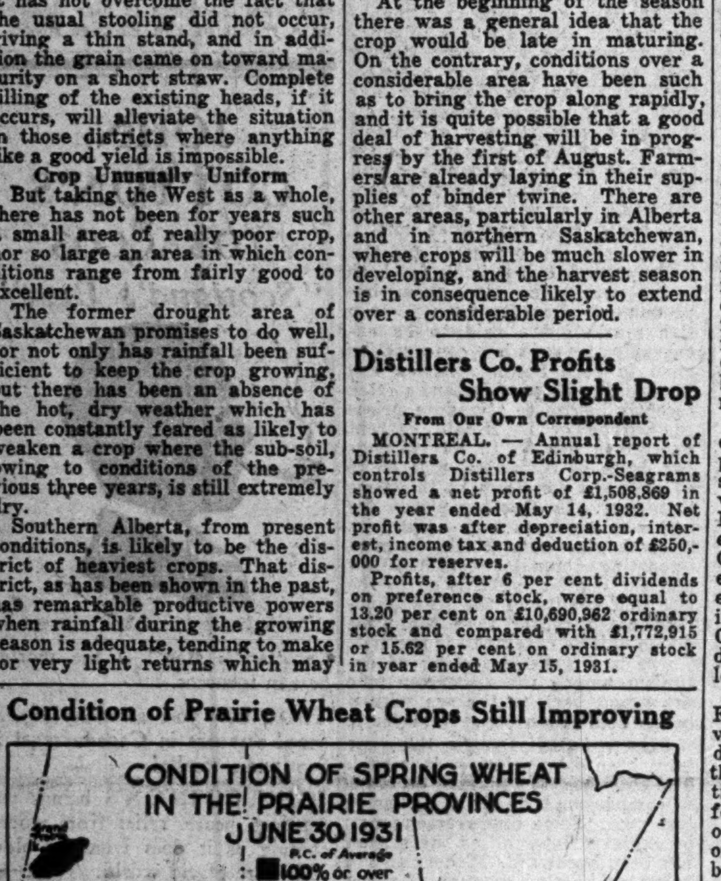
Distillers Co. Profits Show Slight Drop

From Our Own Correspondent

MONTREAL. — Annual report of Distillers Co. of Edinburgh, which controls Distillers Corp.-Seagrams showed a net profit of £1,508,869 in the year ended May 14, 1932. Net profit was after depreciation, interest, income tax and deduction of £250,000 for reserves.

Profits, after 6 per cent dividends on preference stock, were equal to 13.20 per cent on £10,690,962 ordinary stock and compared with £1,772,915 or 15.62 per cent on ordinary stock in year ended May 15, 1931.

Condition of Prairie Wheat Crops Still Improving



Comparative condition of prairie wheat as at June 30 and at the same date a year ago is shown in the above chart which sets out for the two eriods the condition of spring wheat in the three provinces as a perntage of the long-time average yields per acre. Considerable improveent has been made since The Financial Post published a similar chart nonth ago. The data are compiled from Dominion Bureau of Statistics ures.

Active Campaigners Represent Free State

Three Radical Irishmen Head Large I. F. S. Delegation — Alderdice from Newfoundland Also Irish

By JOHN A. STEVENSON

O'KELLY

Mr. De Valera and his government, who now rule the destinies of the Irish Free State in their own strange fashion, evidently do not intend to let their quarrel with the British Government and the latter's threat that it will conduct no further negotiations with them interfere with their plans for attending the Economic Conference. More, over they apparently do not intend to be silent participants in its deliberations, for although Mr. De Valera has been somewhat tardy in announcing the personnel of his delegation, he has made it large enough, for he has indicated that it will be twenty-five strong, including officials and advisers. At its head will be Sean T. O'Kelly who sits in the De Valera cabinet with the title of vice-president of the Executive Council.

A veteran in the Irish political wars, he was one of the founders of the original Sinn Fein movement; he was an intimate ally of the late Arthur Griffith and was associated with him on the staff of "Sinn Fein," "Eire," and "Nationality," and other papers which blossomed forth, and in some cases faded away, as the literary mouthpieces of the new Nationalist movement. He also threw himself heart and soul into the movement for the revival of the Gaelic language, and after being a member of the governing body of the Gallic League from 1910 to 1915 served as its general secretary from 1915 to 1921.

Busy Political Career

But he did not confine himself to literary activities. Before the war broke out he had become a prominent figure in the municipal politics of Dublin and, siding with the extremists in the Sinn Fein party, he took an active part in the famous Easter Rising of 1916. Then in 1918 when the Sinn Feiners decided to challenge the old Nationalist party he was elected member in the British Parliament for the College Green division of Dublin, but he never took his seat at Westminster.

In 1919 he was appointed speaker of the Dail Eireann, the unofficial parliament which the Sinn Feiners set up, and later he served as envoy of the republicans in Paris, Rome and the United States. However, when Arthur Griffith, Michael Collins and other Sinn Fein leaders negotiated with the British Government the treaty which brought into existence the Irish Free State, O' Kelly would have none of it, and, denouncing the pact, threw in his lot with De Valera.

He helped the latter to found the Fianna Fail party, of which he is vice-president, and for the last dozen years has been one of the most active spirits in the opposition forces. He has held his seat for the College Green division without interruption and is now not only an excellent platform speaker but also a very experienced politician. He has always been very bitter in his anti-British views, but he is said to be more of a realist than his leader.

LEMASS

However, the real political business of tariff and other negotiations at the Conference will be in the hands of Sean Lemass, Minister of Industry and Commerce, who, as he was born in Dublin only thirty-three years ago, will be the youngest delegate in attendance.

As a mere boy of seventeen he took part in the rising of 1916, and his family had begun to mourn him as dead when he returned home after having been captured by the British troops and kept in prison for a short time. During the grim years which followed, he was in the ranks of the Irish Republican army and was in the thick of the struggle which they carried on with the irregular British force of unhappy memory known as the "Black and Tans." When a settlement was effected and the treaty signed Lemass refused to accept it and he engaged himself in the civil strife which racked Ireland in 1923 and which the Cosgrave government had to take stern measures to end. He was one of the garrison of the Four Courts in Dublin which had to be bombarded before its defenders would surrender. However, he escaped from jail and participated in further fighting with the Irish regular army.

Popular Young Hero

At the end of 1923 he again fell into their clutches and was put in jail, but by this time he had become a popular young hero with the extremist elements and in the same year he became a member of the Irish Parliament for South Dublin. Since that time he has been serving as one of the honorary secretaries of the Fianna Fail party. For a young man he has had a stirring career, often just escaping with his life. He has always been filled with an intense hatred of Britain and all her works, and it has yet to be proved whether the responsibilities of office are mellowing his temper. He is credited with considerable ability but has yet to make good in the field of real statesmanship.

RYAN

The third member of the Irish delegation is Dr. James Ryan, the Minister of Agriculture, who was born in 1892 and belongs to a well-known family of Wexford. While he was still a student at University College, Dublin, he took part in the rising of 1916, and was subsequently interned by the British authorities as a dangerous firebrand. Like Mr. O'Kelly, he was elected a member of the British Parliament in 1918, winning the South Wexford division, and also declined to take his seat at Westminster.

He stood out resolutely against the Treaty of 1921, and joining the fighting forces of the dissentient party was one of the garrison of the "four courts" during its bombardment in 1922. In 1919 he was elected vice-chairman of the Wexford county council, and, having made use of this office to continue his political activities against the British Government, he was arrested in 1920 and imprisoned on Spike Island until 1921. In that year he was elected to the new Irish Free State Parliament for County Wexford as a supporter of De Valera, but parliamentary debates palled on him and he took to fighting in the field against the Cosgrave government. Consequently, in 1923, he was again arrested and spent the next two years in prison, taking part in the forty-one-day hunger strike of 1923.

Good Business Man

For many years he was a member of the executive of Sinn Fein and later became honorary treasurer of the Fianna Fail party. He is credited with being a good business man, and is vice-president of the New Ireland Assurance Co. As Minister of Agriculture he has a very difficult task in succeeding Daniel Hogan, who held that post in the Cosgrave administration and was able to carry out many reforms exceedingly beneficial to the Irish farmers.

However, Dr. Ryan is reputed to be a shrewder politician than his two colleagues are, and to realize that hard economic facts such as the tariff now imposed by Britain on imports from Ireland have to be faced. It is probable that he will devote his energies at the Conference to seeing that if the quarrel with England cannot be patched up, at least the Irish farmers are not too heavily penalized as the result of preferential favors conceded to the other Dominions.

ALDERDICE

The ancient colony of Newfoundland, which is not reckoned as a Dominion of full rank but has a half-fledged status, has provided itself, as a result of the recent election, with a new government and new Premier, and the latter, whose name is Frederick Charles Alderdice, will head the Island's delegation to the Conference.

Mr. Alderdice is not a Newfoundlander, but an Irishman, who was born in Belfast on Nov. 10, 1872. He was educated at the Methodist College, Belfast, and when quite young emigrated to Newfoundland. There he engaged in business and has had a very successful career. His main energies are given to the management of the Colonial Cordage Company, Limited, which makes nets, ropes and other fishing equipment, and of which he is vice-president and managing director. He is also, however, director of Imperial Tobacco Co., Eastern Trust Co., Newfoundland Manufacturers' Mutual Insurance Co. Newfoundland Motor Insurance Association and Newfoundland Hotel Facilities Ltd.

So he has many irons in the fire and is counted one of the leading figures of the business community of St. John's.

He was not an active politician until 1924 when he became a member of the Legislative Council, and subsequently was elevated to the post of Government Leader in that body. But his party subsequently went into opposition and Alderdice came to play an active part in the ranks of the enemies of the administration of Sir Richard Squires who has lately fallen from power.

Has Confidence of Business

Commanding the confidence of the business community, he also proved himself a very competent politician, and some time ago when the opposition forces were reforming their ranks for further assaults upon the Squires administration, he was chosen leader of the party. He satisfied his followers and later consolidated the opposition forces by the formation of a new party group called the United Newfoundland party. At its head, having forced the Squires Government to the country, he entered the campaign and his generalship and speaking powers are given a good deal of credit for the smashing defeat of the Squires administration. When it resigned he was appointed Premier and has now constituted a presentable cabinet.

Mr. Alderdice is a successful business man who took to politics comparatively late in life, and seems to be making a success of them; at any rate, the people of Newfoundland regard him and his ways as a welcome change from the vagaries of Sir Richard Squires, and will be prepared to give him a fair trial. He will come to the Conference anxious to secure the best possible deal for the fish, lumber, pulpwood, and minerals which are the main products of Newfoundland, and he will probably want to carry on special negotiations with Canada for a new commercial treaty.

B. C. COAL MEN ACCUSE GAS CO'S OF PRICE TACTICS

Claim Gasoline Higher to Offset Losses in Fuel Oil

From Our Own Correspondent

VANCOUVER.—Coal mine operators are complaining that gasoline distributors in British Columbia are increasing gasoline prices so as to offset possible losses on fuel oil and other by-products which enter into competition with coal.

All oil distributing companies increased their gasoline prices another two cents recently, explaining that the advance was in line with price advances all along the coast owing to the higher cost of California crude. Automobile organizations are protesting the increase and have asked the provincial government to carry their objection to Ottawa.

Hope Fuel Tax May Divert

Coal operators, already harrassed by general depression in markets, are hoping that the new provincial tax on fuel oil will result in diverting more business their way. It has been suggested that the increase in gasoline prices is partly due to the imposition of this levy, which was imposed for the first time only a few weeks ago.

While coal production was down 9.5 per cent in 1931 from the previous year's output, British Columbia mines are holding their own as compared with other areas. Vancouver Island mines suffered most in the last year, a reduction of 16 per cent being recorded. East Kootenay collieries had a tonnage reduction of 4 per cent, while the Nicola-Princeton district increased its output slightly.

Three main factors contributed to the lessened production of coal, these being the growth of hydro-electric development, increasing use of fuel oil, and the loss in part of an export market.

A Lesson in Live Saving

OUT beyond the paddlers and bathers who cannot swim a stroke, you will find the strong swimmers who get the most joy out of clean, sparkling water. But swimming is more than a keen pleasure. It offers more opportunity for wholesome exercise for more people than any other sport.

Almost everybody who has correct instruction can learn to swim. When you swim you exercise practically every muscle in your body. You take deep breaths, expand your lungs and send your blood tingling from head to foot. And afterward, when resting in the warm, golden sunshine you soak up health-giving rays from the sun.

You may regard yourself as a fairly good swimmer because so far you have been able to take care of yourself. But if you have not learned to swim correctly you may be unjustified in your confidence. It is not difficult to correct swimming faults or to learn the proper arm and leg action and the breath control necessary in good swimming.

Foolhardiness and panic cause more drownings along the seashore and in lakes, rivers and ponds than exhaustion or cramps.

You may be perfectly willing to risk your own life to save that of another. But if you do not know how to go about it there is great danger that both lives will be lost. To save a life requires real skill. Prove whether or not you are competent by carrying ashore a friend who is not helping himself. If you find that you cannot do it, learn the proper life saving methods so that, if ever needed, you will be ready.

The Metropolitan Life Insurance Company, in co-operation with the American Red Cross Life Saving Service, has prepared a booklet which will help you to learn to swim, if you cannot swim now. It shows the American Crawl used by champion swimmers and the proper Side Stroke to use in life saving. Send for your free copy of "Swimming and Life Saving." Address Booklet Dept. 7-F-32.

METROPOLITAN LIFE INSURANCE COMPANY
Frederick H. Ecker, President
CANADIAN HEAD OFFICE • • OTTAWA

1872 . . . SIXTY YEARS IN CANADA . . . 1932

New Agreement For 7-Cent Fare In Vancouver

From Our Own Correspondent

VANCOUVER.—A new agreement has been reached between the city and the B. C. Electric Railway regarding car fares.

The seven-cent basis is continued, as insisted upon by President W. G. Murrin, although the company will make several concessions for rush-hour transportation. Mr. Murrin has offered to try out the Winnipeg system of weekly passes.

By coming to an agreement the city and company have avoided the necessity of taking the dispute to arbitration as had been threatened. Several of the aldermen held out for a five-cent fare, but Mr. Murrin claimed that statistics showed justification for an increase rather than a reduction in rates at the present time.

B. C. Power Corporation, of which B. C. Electric is a subsidiary, is applying for new power rights on Silver Hope Creek, which flows into the Fraser near Hope.

SECRECY ENSHROUDS STEEL MEN'S PARLEY

Document Will be Made Available to Ottawa Conference

From Our Own Correspondent

MONTREAL.—Secrecy shrouds the conferences which have been held between the representatives of Canadian and United Kingdom steel industries in Montreal. Ross McMaster, president of Steel Co. of Canada and Sir William Larke, director of the National Federation of Iron and Steel Manufacturers, both agreed that those attending the meeting had shown the greatest possible desire to co-operate in their mutual interests but have withheld all details.

Spokesmen said it was obvious that information could not be made public without prejudicing progress of the discussion. A document representing the views of the Canadian and United Kingdom iron and steel industries will be made available to the Canadian and British Governments for use in connection with the meeting at the Imperial Economic Conference at Ottawa.

Some of the visiting parties are expected to visit Canadian steel mills in Toronto and Hamilton before the final report is approved by the two groups. About 30 people in all have participated in the conferences.

Winnipeg City Retail Business

The Dominion Bureau of Statistics reports that Winnipeg's retail business in 1930 exceeded $140,000,000, almost equalling the total value of the field crops of Manitoba and Saskatchewan. This business was handled by 18,522 employees at a total payroll of $20,278,300.

Position of Chartered Banks of Canada as of May 31, 1932, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorized	Capital Subscribed	% Last dividend	Loans to Directors and firms of which they are partners*	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	33,616,349	7,690,342	....	4,601,384	130,947,336	391,988,957	62,839,382	2,723,595	795,440	8,615,339	245,641	8,327,473	1,669,663	1,090,631	38,000,000	36,000,000	729,151,540	50,000,000	36,000,000	12	3,739,024	20,070,206	49,875,469	36,129,002
Nova Scotia	11,648,258	3,933,807	....	311,129	30,161,059	127,509,547	32,588,131	2,701,459	50,248	1,977,030	4,855	4,724,831	110,837	5,768	24,000,000	12,000,000	251,727,564	15,000,000	12,000,000	16	2,744,115	9,303,611	5,899,461	12,343,935
Toronto	6,059,229	871,728	....	961,235	22,766,564	62,937,944		335,531	103,152	1,044,046	20,962	814,166	155,044	181,468	9,000,000	6,000,000	111,251,073	10,000,000	6,000,000	12	1,609,254	365,500	6,197,800	6,406,464
Provinciale	3,509,713	2,503,732	500,000	64,921	4,416,913	32,280,785	....	....		31,907	....	12,101	32,398	95,082	1,500,000	4,000,000	48,947,646	5,000,000	4,000,000	9	635,422	230,385	369,781	3,898,167
Commerce	23,526,111	9,512,607		3,455,784	109,628,684	284,599,076	40,849,112	1,083,898	787,656	10,850,252	23,239	11,614,117	....	909,131	30,000,000	30,000,000	556,839,675	50,000,000	30,000,000	12	6,559,778	11,953,000	17,219,000	25,205,734
Royal	29,798,769	15,374,269	15,000,000	6,040,383	129,937,602	268,543,553	169,845,811	738,642	274,562	24,793,038	958,013	21,388,546	83,147	1,065,441	35,000,000	35,000,000	753,841,782	50,000,000	35,000,000	12	3,713,390	11,761,635	10,334,849	31,315,944
Dominion	6,101,890	3,064,840	600,000	513,612	25,904,879	63,051,131	1,492,279	718,989	61,584	1,082,514		1,238,599	171,299	2,343	9,000,000	7,000,000	120,003,965	10,000,000	7,000,000	12	1,716,356	756,000	3,588,000	6,483,475
Nationale	8,586,444	2,972,993	11,500,000	1,080,287	17,737,725	85,537,376	1,321,968	1,050,364	27,044	291,376		189,217	[illegible]	177,187	7,000,000	7,000,000	144,461,985	10,000,000	7,000,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Imperial	7,966,825	3,946,186	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Barclays (Canada)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	131,073,118	50,383,696	29,600,000	19,313,381	497,987,216	1,387,026,640	308,936,683	10,859,402	4,942,605	81,353,165	1,252,710	48,901,331	2,222,388	3,531,670	162,000,000	144,500,000	2,553,883,060	210,500,000	144,500,000		21,679,802	53,856,809	97,764,486	139,645,000

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Government securities	Canadian municipal British and foreign securities	Railway and other bonds and Stocks	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current Loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves	Shares of and loans to controlled companies	Other assets	Total assets
Montreal*	19,976,630	49,655,367	2,951,977	310,677	21,994,282		2,202,353	22,070,432	173,369,061	46,081,271	10,825,729	4,582,517	14,920,396	242,140,792	17,724,556	11,372,369	37,854,485	4,360,152	417,213	112,174	14,500,000	8,327,475	1,692,109	6,000,000	294,613	64,532	730,335,855
Nova Scotia	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Toronto	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Provinciale	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commerce†	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Royal‡	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dominion	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nationale§	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Imperial	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Barclays (Canada)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	55,450,517	115,415,345	11,867,732	15,246,599	83,108,256	3,435,184	8,745,290	90,444,249	465,484,096	140,808,229	57,129,954	113,830,496	65,285,570	1,057,227,630	187,081,686	36,669,250	153,519,049	11,939,669	6,955,308	6,194,547	79,930,760	48,901,331	6,854,928	22,581,733	12,850,826	1,687,355	2,867,604,505

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*Of this deposit $11,081,732 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The figures of "The Canadian Bank of Commerce" (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same having considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in above return.—Footnote to Banque Canadienne Nationale return.

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Economic Investment

I have some shares and also a 5 per cent bond of Economic Investment Trust Ltd., which I have hitherto regarded favorably. In your last week's issue the stock is quoted as low as 4½. Is this due entirely to the present depression, or is there any special weakness in the concern of which shareholders generally may not be aware? Is it a soundly organized and well managed undertaking?

The investing public is not interested in the securities of investment trusts of the management type at the present time with the result that the common stocks of such trusts are generally selling somewhat below liquidation values. The annual statement of Economic Investment Trusts, Ltd., as at March 31, 1932, showed the $50 par value common shares having an equity of $10.59 per share. Since that time the American and Canadian security markets have shown further weakness and it is probable that the equity of the common shares would be less at this time. There have been very few transactions in this stock on the Toronto Stock Exchange in the current year and the sale at 4½ which you mention was for a ten share lot.

Practically no investment trust has had any success during the past three years due to the continued decline of security prices and depreciation in the investment account. Economic Investment Trusts would appear to have had a somewhat better experience than many other Canadian and American trusts.

International Loan

I have been considering purchase of shares of International Loan Co. of Winnipeg at some $60 a share and am told that the shares are worth $130. Is this company doing a paying business and is this investment safe?

International Loan Co. was organized in 1918 under provincial charter in Manitoba and received a Dominion charter in 1920. Since organization the company has continued to sell stock and at December 31, 1931, had a subscribed capital of $5,520,400 of which $877,445 was paid up. As long as stock of the company is being issued, it is unlikely that there will be a good market for shareholders who wish to sell.

The company has maintained a dividend rate of 3 per cent per annum and with the exception of 1931, has earned its dividend. In the year ended December 31, 1931, total revenue amounted to $48,249 and net profit for the year was $27,520. The company had first mortgages and clear title agreement, totalling $1,007,986. The company also had clear titles to real estate, amounting to $66,440 and cash of $10,031. The only liability other than capital stock and reserves was dominion income tax of $2,552. The company has shown a moderately small increase in mortgage and real estate investment over the past few years, but we are not aware as to the amount of mortgage payments which are in arrears. As you are probably aware, the mortgage situation in the west is not particularly favorable and this adds a speculative element to International Loan Co. stock.

International Nickel

I was much interested in your article on International Nickel. My recent investments, acting on a local agent's advice, have not been satisfactory and I would appreciate your advice on whether or not Int. Nickel would be a safe investment for me. I have a little money to invest at the present time.

I am dependent on the interest on my investments to support my daughter, but if Int. Nickel has the future you anticipate, on the three hundred dollars I have to invest now, I could afford to wait a reasonable time for returns.

Though the position of International Nickel is very strong for a revival of profits in case international business within a few years gets on a high plane, we do not think that the common stock, even of a company of this character, is a proper investment for one who desires absolute safety and who is dependent upon the returns from her investment to support her daughter. Protection of your principal and dependability of the interest return such, for instance, as one gets in purchase of Dominion Government, Ontario Government, Toronto or Montreal bonds are necessary. For one who is willing to take a certain chance, International Nickel is a promising speculation. The company however, does a world business. United States has just shut out foreign copper by a 4 cent a pound duty and the type of international cooperation displayed at Lausanne will have to spread to the United States before a world improvement of value to International Nickel is likely.

Quebec Bonds

I have been considering the purchase of some of the bonds of the Province of Quebec but before reaching any decision, I desire to know how these bonds compare, as sound conservative investments, with those of the other provinces of the Dominion, for example, bonds of the Provinces of Ontario and Nova Scotia. As I rarely see Quebec issues quoted on any security lists I would like to obtain a list of issues which are payable in New York as well as in Canada and their current market value.

Bonds of the Province of Quebec hold a very high investment rating due to the extremely strong financial position of the province and the fact that the province has kept funding operations to a minimum. For some 35 years the provincial treasury has been able to report a surplus annually, although in the year just ended on June 30, it is probable that the province will have a small deficit. The annual expenditure of the province on account of debt charges including interest and sinking funds is materially lower on a per capita basis than that of any other province in the Dominion and in the fiscal year, 1929 to 1930, amounted to only 85c per capita.

Because of the excellence of their security, bonds of the province are closely held by investors and there is never any substantial volume of trading. When bonds are offered for sale, they are quickly taken up at good prices. Because of the small volume of bonds offered, it is difficult to secure a complete list of offering prices on the various Quebec issues.

The province has comparatively few bonds which are payable in New York, but you will note that the approximate offering price of the 4½s due May 1, 1961, is shown in active provincial and municipal bonds on page 14 of The Financial Post of July 9 at 94 which would give a yield of 4.62 per cent. The 4 per cent bonds of the province due in 1958 are currently quoted at 88.3 to yield 4.8 per cent. The bonds of the other Canadian provinces are selling to yield considerably over 5 per cent. It might be possible to get the bonds guaranteed by the Province of Quebec and payable in New York on a somewhat better yield basis. We would suggest that if you are interested in Quebec bonds, you should get in direct contact with some Canadian bond dealer who is in close touch with the Montreal market.

Sell British, Buy Canadian?

Would you advise me to sell my British railway securities at the present market values, and with the pound at a big discount, reinvest the money in Canada in government bonds and stocks such as Consumers Gas, Bell Telephone and Goodyear Tire preferred?

We would advise you to seek information concerning your British securities from either a British financial journal or from a reputable Canadian investment house with British office or affiliations, as The Financial Post does not keep information on British companies as few investors in Canada hold such shares. Sell them entirely on their merits and buy the Canadian in the same manner.

In Consumers Gas, Bell Telephone and Goodyear Tire preferred you have chosen Canadian headliners which have given an excellent performance in the past and promise well in periods of active business for the future.

Consumers Gas, which has paid dividends since Canada became a nation in 1866 is still expanding and making its dividends in current operation.

Bell Telephone has had to drop its dividend from 8 per cent to 7 per cent after paying at the 8 per cent rate for about 40 years. The severity of the business depression, which cut down long distance revenue materially and so made this cut in dividend necessary, is still continuing. We cannot tell how long it will continue but believe that this company's position of practical monopoly in Quebec and Ontario and the fact that it gives a necessary service which should expand when business recovers, create a position which justifies considerable optimism for the long view.

Goodyear Tire has given an excellent performance in a period when most companies are not doing very well. Tire companies found their business badly affected as did other companies, but so far this company has been able to maintain dividends on the preferred and common stocks while adding materially to reserves and improving its financial position in a marked manner. The outlook for the future is apparently good, this opinion being based entirely on the record of the company and the quality of its management. Management and financial strength cannot of themselves do miracles. Business will have to be stabilized on the new price levels and the people buying once more with confidence in their individual situations, before the company's earnings position can be considered to have triumphantly outlined the depression.

Neon of Western Canada

Will you tell me something of Neon Products of Western Canada? Is it a successful company?

Neon Products of Western Canada was incorporated under Dominion laws on December 20, 1929 and its fiscal year ends on April 30 of each year. It is engaged in the manufacture and distribution of Claude Neon products in British Columbia and Alberta where it holds an exclusive franchise for the use of present and future developments in the use of Neon gas for illuminated signs and other purposes.

The company operates a manufacturing plant in Vancouver, B.C., and has offices in Victoria, B.C., and Calgary, Alberta.

The franchise of the company was obtained from the Claude Neon Light Co. of Canada, Canadian licensee of the Claude Neon patent. The latter company holds a minority interest in Neon Products of Western Canada, consisting of 12,336 common shares part of which were purchased for cash and part given in payment of territorial rights.

The company has outstanding $300,000 of 6 per cent cumulative preference stock of $50 par value and 54,836 no par value common shares. The initial payment on the preference stock was made on May 1, 1930, and regularly since. No fixed rate has been set on the common but an initial dividend of 25 cents per share was paid on December 20, 1930, to shareholders of record on December 10 and another 25 cents per share was paid on December 21, 1931.

The company had a working capital deficit of $91,018, which included bank loans of nearly $68,000, at the end of its fiscal year April 30, 1931. The statement for April 30, 1932, has not yet come to hand. Earnings on the common in 1929 were 29 cents a share and in 1931 $1.25 a share.

The policy of the company is to lease Neon signs and tubing, the title to the sign remaining with the company. The cost value of the signs is carried as an asset. The first portion of rental is set aside as a reserve for maintenance of the signs, a further portion is set aside for collection losses and a pro rata portion of the cost of the sign is written off and the balance paid to profit and loss account. The company has also adopted the policy of renewing the rental agreement at expiry at a reduced rate as part of the cost of the sign has been amortized in the original rental period.

The company has no funded debt.

U.S.A. Viewpoint On Empire Parley

Strong Community of Economic Interest Between U. S. A. and Empire Countries Seen by Department of Commerce Official

By DR. JULIUS KLEIN

Assistant Secretary of Commerce, Washington

A radio address on "The Imperial Conference" delivered Sunday, July 10.

In a little less than two weeks from today, July 21, to be exact, a group of statesmen representing the widely divergent nationalities and governments of the British Empire will sit down together in a committee room of Canada's magnificent Houses of Parliament, up at Ottawa, to begin a conference whose results may be of tremendous and far-reaching importance, not only to the Empire itself but to the whole world.

We in the United States are going to be particularly interested in this Imperial Economic Conference. To begin with, it is the first time that such a conference has ever been held away from London, and I think we all feel a certain sense of gratification that our fine, hospitable neighbors to the north are being given this opportunity to be the hosts at such an important British family party. After all, a certain Eighteenth Century statesman named Benjamin Franklin exercised a considerable influence in bringing about the retention of Canada by Great Britain, which was accomplished by the Treaty of Paris in 1763. Dr. Franklin, at that time, was acting as a loyal British subject, but I seem to recall that subsequently he had quite a little to do with the beginnings of our own history as a nation. Although since that time Canada and the United States have travelled separate roads, our principles and ideals have never been far apart and I think Franklin would have rejoiced if he could have foreseen the way our respective destinies have worked out.

Strictly Family Party

It is, of course, a strictly family party that is going to be held at Ottawa, and very properly, not even as close a relative as the United States will have any official connection with it. But we shall have a good deal more than a sentimental interest in its outcome. Participating with the delegation from the Mother Country (which will be headed, incidentally, by no less distinguished a person than the Right Honorable Stanley Baldwin, Lord President of the Council and former Prime Minister of Great Britain) will be high officials representing the Commonwealth of Australia, the Union of South Africa, the Government of India, the Irish Free State, the Dominion of Newfoundland, the Dominion of New Zealand, Southern Rhodesia and, of course, Canada itself, whose principal representative will be Prime Minister Bennett.

Now, these men will be representing about one-fourth of the world's population, inhabiting approximately a quarter of its total area. We begin to see, therefore, why any agreements that may be reached at Ottawa will be felt rather directly by the whole world. Note that this meeting is officially styled an Imperial Economic Conference. Its proceedings are to be confined strictly to commerce, industry and finance.

Previous Imperial meetings have been held in part at least to straighten out political problems. At the Imperial Conference of 1926, for example, there was promulgated that significant doctrine which proclaimed that the group of self-governing countries composed of Great Britain and the Dominions were "autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs." With matters such as that, neither the United States nor any other nation outside the British Commonwealth of Nations could obviously have any sort of direct interest, much less any participation, although of course we were naturally pleased that our British cousins could settle such perplexing and basic political problems. But when globe-encircling economic policies are to be determined, we can, I hope, be pardoned for taking a very keen interest in the proceedings.

To Stimulate Trade

Basically, the purpose of the conference is to stimulate trading and consequently to promote increased prosperity within the British Empire. I am sure that every thinking person in the United States hopes most sincerely and heartily that the conference may be a real factor in bringing this about. There need be nothing sentimental about our good wishes in this connection, either. Any increase of prosperity within the Empire would inevitably and immediately be reflected in improved conditions throughout the rest of the world. I think Premier Bennett brought out this underlying significance of the meeting remarkably well, in the course of a recent address he made in the Canadian House of Commons. He expressed the firm belief that the conference "may be able to devise policies and plans that will be advantageous to every part of that population (of the Empire); and if they are advantageous to that population they will be of very, very great assistance to the world in its effort for economic recovery."

Just what policies and plans may be the outcome of the deliberations at Ottawa, no one can predict. The subjects to be discussed are complicated, and delicate, with many aspects. There probably will be the question, for instance, of a stabilization of Empire currency, the establishment of a fixed relationship between the pound sterling and the dollar of a Dominion. On the grave questions of the status of gold reserves and the collapse of silver, that problem certainly will require much thought on the part of the statesmen and economists at the conference.

Tariff Commands Attention

Inside as well as outside the Empire, however, perhaps the most general interest is in the extent to which preferential tariffs are agreed upon among the participants. Here is what one British economist sets forth as the fundamental considerations in any scheme of Imperial preference:

> "It must take into account the fundamental economic policies of the participants, including the balance between their industry and agriculture, and their commercial relations with the rest of the world. Once those essentials have been determined, it should imply a progress toward a lowering of tariffs, and the breakdown of economic nationalism generally; it must expand rather than diminish the volume of world trade. While for the time being it may injure third parties it must not be directed against them, and must leave them an opportunity of participating in preferential advantages in exchange for equivalent undertakings. It must not be of such complication or duration as to tie the hands of any party unduly in its trading relations either within or outside the Commonwealth. Above all, it must be based on the principle of mutual advantage and free consent."

It is evident that the problem facing the statesmen assembled at Ottawa is a good deal more complicated than that of, in effect, making of the British Empire a free trading area as we have in the case of the States of our own Union. In spite of the very real community of interest among the nations concerned, each is, after all, a real nation with its own national considerations that must be taken into account. Sentiment, in matters of this sort must necessarily give way to cold economic facts. The question was put into a nutshell in a resolution last month by the Toronto Board of Trade, stating that "there is a growing sentiment in favor of Empire goods but that price, quality and adaptability are the factors which dominate the Canadian market." This same feeling must exist in England itself as well as in every other member of the Commonwealth of Nations. After all, does it not exist with us, too? We certainly do not feel any prejudice against buying British goods when they suit us in price, quality and adaptability to our needs.

U. S. A. Has Big Stake

Certainly the United States will loom large in the minds of our good friends at Ottawa. The British Empire, with all its Dominions and colonies, handled about 28½ per cent of the world's trade in 1930. But this single country of our own handled almost half as much—12½ per cent.

And let us glance at the status of our trade relations with some of the countries that will be represented at Ottawa. The United States was the market in which were sold, in 1930, over a third of all linen manufactures exported by the United Kingdom; 43.2 per cent of all the tin, and nearly 19 per cent of all British exports of leather goods, other than wearing apparel. On the other side of the ledger, the United Kingdom took one-sixth of all exports from the United States, some of the outstanding items in this trade being four-fifths of our exports of hams; over half of our bacon exports; 41.5 per cent of our foreign sales of furs and fur manufactures; more than half our tobacco exports (reaching for this one item the rather tidy sum of $79,400,000), and 30 per cent of our total exports of motion-picture equipment.

Even more striking is the relative volume of our trade with Canada. In 1930, we were the customers for nearly 45 per cent of that country's exports, while she took no less than 16.6 per cent of all of our goods that were sold abroad, both percentages, incidentally, representing an increase over the prewar year of 1913. We bought over 90 per cent of Canada's total exports of fresh fish, hides and skins, and pulpwood, and between 80 and 90 per cent of her exports of newsprint and wood-pulp. And we, in turn, sold in Canada more than half our total exports of corn, vegetables, oranges and crude petroleum, nearly half of those of iron and steel, and a third of our foreign sales of radio apparatus.

Naturally, with other parts of the far-flung British Commonwealth, the trade figures are not quite so striking, but it is worth noting, nevertheless, that more than 65 per cent of India's exports of gunny cloth (a matter of some $48,000,000 in the year whose figures we are using) went to the United States; that we bought 43.3 per cent of all the rabbit skins shipped from Australia, and 27.4 per cent of the sheepskins exported from far-off South Africa.

Coming back to the value of our markets to Canada, it is interesting to note that last year the United States bought 15 per cent more of Canada's exports than did the British Empire; 50 per cent more than the United Kingdom, and 28 times as much as Australia and New Zealand combined.

Huge International Investment

Another angle from which the United States may view the conference at Ottawa (and from which the delegates there will certainly take an occasional glance at us) is in connection with international investments. The experts of our Department of Commerce tell me that about one-third of our total long-term foreign investments, amounting to the rather breathtaking total of more than five billion dollars, are in the British Empire—most of them in Canada and Newfoundland (let us not forget that these are separate Dominions) but nearly $700,000,000 in the United Kingdom itself; nearly half a billion in Australia and New Zealand, and quite a few millions in British Africa, the West Indies and Malaya. And, as might be expected, quite a bit of British Empire capital is invested right here in the United States. The totals cannot be stated exactly, but the whole amount approximates $1,650,000,000, of which one billion dollars represents Canadian capital and $600,000,000 is owned by investors in the United Kingdom. We may recall that American railroads could never have been developed as rapidly as they were during the last century had it not been for British capital.

We like ourselves sometimes as virtually a self-sufficient country. Our British cousins, too, like to feel that their Empire, as an economic unit, could be entirely self-sustaining. It happens that neither point of view is correct. Disregarding for the moment such tremendously important items as our rubber imports from British Malaya and the raw cotton that we sell to the United Kingdom, it is a fact that in the highly essential field of minerals alone, neither the British Empire nor the United States is independent one from the other. It is an interesting thought, though, that the only combination of nations that approaches anything like a self-sustaining unit with respect to mineral raw materials would be that of the Empire and our own country. The Mining Societies of the British Empire were impressed by this when a preliminary study of the natural resources of the Empire was undertaken, fairly recently, and as a result they requested that a committee of our own mining societies be formed to co-operate in this study.

Compete in Foreign Marts

In neutral foreign markets, notably the Far East and Latin America, our exporters are often thought of as competing with the British. True enough, there is in many lines a vigorous, healthy state of competition. Yet even this brings about a certain community of interest and (though some may dispute this conception) to me it means, looked upon from the long-range point of view, a strengthening of the ties between the English-speaking peoples. Let us look at the Far East: For 300 years British subjects have sold British products in that section of the world and have developed the tradition in the Oriental mind that British products are good and that British traders are men of real integrity. When we became a factor in the China trade, during the last century, our traders, as fellow Anglo-Saxons, fell heir to this tradition to a great extent and have been proud to co-operate with Empire citizens in maintaining the high standards they set up, which are unquestionably an important factor in the development of this great market.

In South America, the statistics show us that there are really not so many important items in which there is actual competition of far-reaching importance between the United States and England. The list of 20 leading Argentine imports, for instance, reveals very few in which there is rivalry. (Remember the story of the man who had a little fruit stand in front of a great New York bank. When someone approached him one day with a request for a loan of two or three dollars, our push-cart friend shrugged his shoulders apologetically and said he was sorry—"I have an agreement with the bank," he explained, "I don't lend no money and the bank don't sell no fruit").

The railroads of the Argentine being largely British built, a preponderance of that country's railroad materials and coal are imported from England. On the other hand, our outstanding exports to Argentina are gasoline and other petroleum products, of which England sells relatively little; we sold nearly $7,000,000 of lumber there in 1930; England sold $300,000 worth; Britain sold about seven times as much cotton cloth there as we did. And so it goes, throughout nearly all of the outstanding items in the list of imports of that great republic to the south of us.

Thus, even from some of these few "high spots" that I have been able to touch, we may gather that there is a very real community of economic interests between the countries of the British Empire and the United States. And I do not think anyone will accuse us of hypocrisy or even undue sentimentality if we express a hope that the deliberations that will soon be under way, up in that beautiful capital city that is so close to our own borders, may be productive of genuinely beneficial results to our cousins in the British Commonwealth of Nations.

Sell Bacon in England

More Canadian bacon is appearing on British breakfast tables. In the first four months of 1932 the British market took 7,752,000 pounds from Canada, an increase of 5,739,000 pounds or 285 per cent over the corresponding period of 1931.

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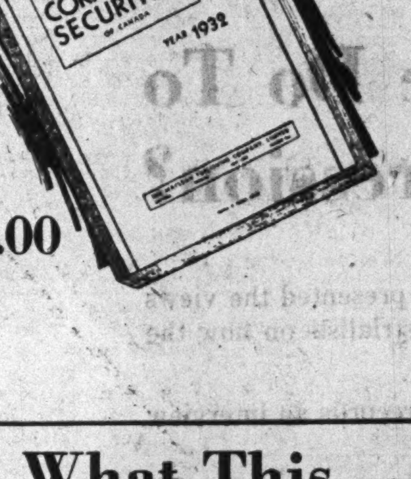

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CANADA BISCUIT REORGANIZATION PLAN APPROVED

Bondholders Consent to Plan Submitted by Committee

From Our Own Correspondent

MONTREAL.—Holders of the 6½ per cent first mortgage bonds of Canada Biscuit Co. have approved a plan of reorganization. Of the $1,790,500 principal amount of bonds outstanding, $909,000 were represented at the meeting. The final vote showed $903,500 of the bonds represented voted in favor of the plan and the balance of $5,500 against.

Reorganization of the company follows default in bond interest on May 1, 1932. A bondholders' committee was formed, and a plan of rehabilitation drawn up. Bondholders will now forego interest due May and November 1, 1932, and May 1, 1933, and have released the company from its obligations in this respect. Further, in case interest due November 1, 1933, is not paid, they have waived such default until May 1, 1946. All payments of principal, sinking fund, interest on the bonds, shall hereafter be made in Canadian funds.

Create Prior Lien

Creation of $300,000 six per cent prior lien bonds, dated May 1, 1932, maturing May 1, 1946, has been approved. This money constitutes new working capital necessary for a maintenance of operations.

Preferred and common shares of the company outstanding to the extent of $3,519,000 and 90,780 shares respectively, will be cancelled, and the capitalization of the company reduced to 89,000 common shares without par value. Bondholders receive 20 per cent of the equity in compensation.

J. W. Ross, general manager of Viau Biscuit Corp. and new manager of Canada Biscuit pointed out where operating economies could be effected to the advantage of bondholders. Certain duplications, particularly in selling forces, could be eliminated and unprofitable lines of products discontinued. He stated that the company had the sales volume, but lacked economy of organization essential to operate at a profit.

The new board is still to be named. It is understood it will comprise representative business men in the central districts in which the company's operations are contracted. Bondholders will have at least one representative on the board, R. W. Steel to be named in that capacity.

Canadian Paperboard Bondholders Meet

From Our Own Correspondent

MONTREAL.—A meeting of holders of the first mortgage bonds of Canadian Paperboard Co. has been called July 23 to make certain changes in the trust deed. These will comprise giving power to appoint a committee with authority to direct the trustee to exercise on behalf of the bondholders such action as they will decide. In other words, this committee will provide a focal point for negotiations between the bondholders and the present receiver.

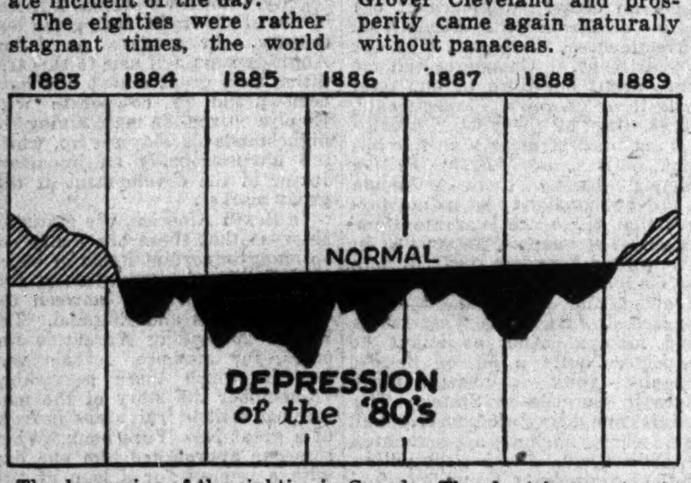
Canadian Paperboard Co. has been in the hands of a receiver-manager since 1930.

Canada Comes Through - - The '80's

AT THE beginning of the "eighties," there was much apparent prosperity in Canada. The nation's first transcontinental railway, the C.P.R., was being pushed rapidly through to the Pacific Coast. Western real estate turned over rapidly as tented cities sprang up in the van as well as in the rearguard of the railway builders. Manitoba was aflame with real estate speculation. The foundation was being laid of great Canadian fortunes, those of the Holt, Smith, Stephen, Ross and other families. It is easy to say that Canada was prosperous because the C.P.R. was being built and because the national policy had just started working. But the truth is that the whole world was a busy place and profits came easily.

But in 1882 and 1883 came recession, developing in different parts of the world. In Canada, it was blamed on the cessation of C.P.R. construction and the collapse of the Manitoba land boom. In other countries, there were other immediate troubles blamed for the depression. The depression was world-wide and behind it all was the dominant fact that prices, which had recovered somewhat from their precipitous decline after 1873, again took a downward plunge in 1882 and skidded steadily with minor recoveries until the middle nineties. Sauerbeck's index number, which stood at 88 in 1880 dropped to 68 by 1887. In Canada, between 1882 and 1886, average prices declined over 20 per cent. Find the cause of the price decline and you have a better explanation of the Canadian depression of the eighties than any immediate incident of the day.

The eighties were rather stagnant times, the world over. In Britain there was great distress, especially in shipbuilding, which had been overbuilt. As prices continued their steady decline, unemployment increased.



The depression of the eighties in Canada. The chart is an extract from the Confederation to 1931 chart of Canada's long term economic growth, that appears in The Financial Post Year Book of Canadian Business, 1932.

In the United States, business began to recede in 1883. Railroad construction fell off. Wages dropped. Trade stagnated. Then came a sharp money panic in New York in May, 1884. Money went to one per cent a day. Banks and brokers failed. The famous stock plunger, James R. Keene, was bankrupt. Even Russell Sage was caught. The Rockefellers were rumored as broke (they weren't). Many large railways went into default. Silver producers stirred up public distrust of the whole monetary system and urged unrestricted silver coinage. But their schemes were routed by Grover Cleveland and prosperity came again naturally without panaceas.

In Canada, the long stagnation of the '80's came as a rude shock, for the people had begun to taste brisk business again after the crisis of the '70's. After that earlier depression, Canadians found a new United States market for their lumber, railroad construction expanded east and west, the prairie had its first boom, immigration grew.

But in 1882 came the virtual completion of the C.P.R. main line. In Manitoba, real estate speculation came to its inevitable end — abrupt collapse. The ruinous effects were not confined to Winnipeg and vicinity. Easterners had speculated heavily in western lands and lost small fortunes. The banks felt the strain. The 1883 crop in Ontario was poor. Manufacturing industries found that, in the first wave of enthusiasm over the National Policy, they had expanded too rapidly. Prices began to fall, particularly of farm products and timber. Failures increased rapidly.

In the meantime, the substitution of iron for wooden ships brought near disaster to the Maritimes.

Banks failed in different parts of the country. There were 44 banks reporting in 1882; 39 in 1884. Bank loans fell from $178,000,000 in 1882 to $152,000,000 in 1885.

Foreign trade fell to low levels. Hemmed in by tariffs at home and abroad, industry had to hang on grimly to a small and stagnant home market.

Wheat was $1.39 in 1882; only 71 cents in 1884.

As the decade passed, recovery was noted in other parts of the world, but in Canada a renewed outbreak of bank failures prevented any real recovery. Wondering if their country had any real future, many people urged commercial union with the United States, or at least continental free trade, and for a while this seemed to be Canada's manifest destiny.

But finally the curative process of deflation brought fundamental soundness to the general economic situation and before the nineties appeared Canada was feeling the direct benefit of the general world recovery.

Canada came through the stagnation of the '80's to enjoy tremendous advance in the early '90's that laid the foundation for continent-wide economic expansion.

Next week: 1893.

Dominion Ranks Fourth In World Car Ownership

Survey Further Shows Canada in Third Place in Ratio of Automobiles to Population — One Car for Every Eight Persons

From Our Own Correspondent

MONTREAL. — Canada ranks fourth among all countries of the world in automobile ownership, according to a motor vehicle world census taken at the beginning of the year by the Bureau of Foreign and Domestic Commerce of the United States Department of Commerce. As at January 1, 1932, this census revealed a total of 1,186,960 automobiles in Canada, of which 1,009,343 were private passenger cars and 156,626 private trucks.

The United States was an easy leader with a total of 25,986,353 automobiles; France supplanted England in second place with 1,713,368 and England was third with 1,342,969 automobiles. Germany and Australia followed in that order. The least motorized regions covered by the census were Spitzbergen, which continues to own one truck; the Solomon Islands with 14 automobiles and Bermuda and Montserrat, each with 53.

Comparison of Figures

Following is a comparison of the six leading countries:

	No. of Automobiles	Comparison with Jan. 1/31
United States	25,986,353	—711,045
France	1,713,368	+253,718
United Kingdom	1,570,173	+ 40,901
Canada	1,186,960	— 37,138
Germany	672,633	— 6,667
Australia	523,095	— 40,562

World Figures Decline

The census shows that world ownership of automobiles dropped to 35,263,397, a decline of 542,235, or 1.5 per cent from the preceding year. The figures reflect the impairment of world motor transport facilities by the continuation of adverse economic conditions, but they also stress the development of an unusual need of automobiles which should stimulate market activity when conditions improve materially.

The drop in registrations in the United States was the outstanding influence in the decline, the total of 25,586,353 showing a drop of 711,045 during the year. France showed a gain of 253,718 and the United Kingdom an increase of 40,901, but Canada showed a drop of 37,138 automobiles.

It was pointed out in the study that figures are based on reports of official registration figures, or best available estimates of the ownership of automobiles in 163 nations, possessions and dependencies. Many of these reports indicate that some of the automobiles owned in the regions covered are not actually registered and in operation because of the reduced income of the owners. Accurate data concerning the extent of this condition are unavailable, it is pointed out.

Ratio Declines Slightly

The census shows that the world ratio of automobiles to population declined slightly in 1931 to 1 for every 56.5 persons as compared with 1 to 54 in the previous year. The United States continued in first place with a ratio of 1 automobile for every 4.77 persons; Hawaii was again second with 1 to 7 and Canada and New Zealand once more tied for third place with 1 to 8. Australia followed in fourth place with a ratio of 1 to 12.

Following are comparative figures for the first nine countries:

	Persons per Automobile
United States	4.77
Hawaii	7.
Canada	8.
New Zealand	8
Australia	12
Monaco	14
France	24
Germany	95
Italy	141

Passenger Cars Dropped

It was indicated that the decrease in world ownership of automobiles in 1931 occurred entirely in passenger cars. Of a world figure of 35,253,397 automobiles on January 1, 1932, passenger cars numbered 29,291,172, a 2 per cent loss during the year. Trucks totalled 5,609,441, an increase of 1.4 per cent. Buses gained 6 per cent to 362,784.

According to the report, 86.3 per cent of all automobiles of the world were of American origin or type. The percentage shown in the preceding survey was 87.8. According to types of vehicles, the American share was as follows: Passenger cars, 87.9 per cent; trucks, 79.6 per cent; buses, 60.8 per cent. Of the total outside the United States, 47.9 per cent were of American make or design as compared with 52 per cent in the previous year.

An interesting feature of the survey shows that the greatest number of automobiles in any one city was contained in Los Angeles where there is a total of 851,556 automobiles. This compared with 792,131 in New York and 293,295 in London and related areas. The figure given for Montreal is 65,321.

What Should We Do To Combat the Depression?

In recent issues, Maclean's Magazine has presented the views of several prominent business men and industrialists on how the nation's economic ills can be remedied.

In its July 15 issue, A. Raymond Mullens records an interview with

C. H. CARLISLE, President and General Manager of the Goodyear Tire and Rubber Corporation of Canada.

Mr. Carlisle insists that "people should not be cozened with fair words but should have the true state of affairs placed before them with definite proposals for them to consider."

He explains what he believes to be the cause of our present condition.

He believes in stabilized currency; in a world bank.

He believes a practical back-to-the-land plan can be evolved.

He discusses maldistribution of population, overproduction and the frenzied and expensive efforts to make sales where sales cannot possibly be made.

He asserts that Government itself should be brought to book for its extravagance and inefficiency. He says, "Any business man will tell you that, were he to have for a board of directors the members of Parliament and Senate, he would expect to become bankrupt."

Whether you are farmer, tradesman, artisan or employer you will find this article a stimulant to thought. Read

"What Should We Do?"
in
July 15th
Maclean's
Canada's National Magazine
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Canadian Boards of Trade Plan Maritime Meeting

Representatives of over 200 Boards of Trade and Chambers of Commerce will meet this year at Halifax, September 13-15 at the seventh annual convention of the Canadian Chamber of Commerce.

Prior to and following the convention the chamber has arranged a sea cruise and land tour with the Clark Steamship Company, The Dominion Atlantic, and Canadian Pacific Railways which will leave Montreal on September 3 on the S.S. New Northland calling at Charlottetown, Sydney, St. Pierre Miquelon, St. John's, Newfoundland, and Halifax, arriving at Nova Scotia's capital on September 13.

After the convention the itinerary will be over the D. A. R. visiting Grand Pré and from there to Kentville, Annapolis Royal, Digby, Saint John, Fredericton and Montreal.

Dominion Stores Sales Off

Sales by Dominion Stores Ltd. in the four weeks of June totalled $1,741,891 as compared with $1,986,639 in the corresponding period of 1931, a decline of 12.32 per cent. Sales for the first half of the fiscal year, as reported to date, total $11,656,935 compared with $12,798,454 in 1931, a decrease of some 8.9 per cent.

FOUNDATION CO. OMITS DIVIDEND COMMON STOCK

Obscurity of Outlook Governs Directors' Decision

From Our Own Correspondent

MONTREAL.—Directors of Foundation Co. of Canada have decided to omit the quarterly dividend due on the common stock at this time. The shares have been on an annual dividend basis of 50 cents since May, 1932; prior to that time the stock was on a $1 basis from August, 1929.

R. E. Chadwick, president of the company, states the company has a fair amount of profitable business on its books, but the obscurity of the outlook motivated directors in their recent decision. The company has 84,600 shares of capital stock outstanding. Earnings in the fiscal year ended April 30, 1932, were equal to $1.30 a share.

Earned Dividend Last Year

At the annual meeting held recently, officers and directors were re-elected without change, and reports for the past fiscal year were adopted. Income account for the fiscal period ended April, 1932, showed net earnings of $270,135 compared with $324,613. Balance sheet showed current assets of $1,068,133 compared with current liabilities of $635,823 leaving a working capital of $432,310.

Operations of Foundation Co. of Canada in its building division have shown a severe decline and new business offering reveals highly competitive prices. Engineering and marine divisions, however, handled a substantial volume of business last year, and brought forward a satisfactory carryover into the current period.

One of the major jobs being undertaken this year is construction of a new water intake at Toronto. Work is proceeding in a satisfactory manner on this contract, which necessitated construction by the company of an electric derrick boat, which is believed to be one of the largest on the continent. The company is still working on the MacLaren-Quebec Power development.

INVESTMENT CORP. PROFIT IS LESS

Substantial Depreciation is Shown in Investment Account

Investment Corp. of Canada Ltd. had profit of £13,496 available for debenture interest in the year ended April 30, 1932, after charging off losses of £1,925 on sales of real estate and £1,413 on investments. Interest on debenture stock amounted to £9,474 and since no dividend was paid on the preference stock surplus was increased to £21,456 from £17,433. In 1930-1931, profit before debenture interest and real estate losses was £26,125.

The balance sheet as at April 30, 1932, shows investments in real estate purchased at £16,721 including improvements and real estate taken over under foreclosure at £35,206, slight decrease from the preceding year. Holding of common stock in Canadian Land Corp. remains at £24,670. Investments, at cost or under, are shown at £789,847 as in 1931 but market value at April 30, 1932, was £271,524 compared with £493,437 on April 30, 1931.

Loans against securities are down to £100,695 from £105,064. Debenture stock of £222,184 is outstanding having been reduced by £200 in the year. Reserve remains at £20,873. There is £300,000 of 4½ per cent preference stock and £200,000 of ordinary stock outstanding.

J. F. Singleton Appointed New Dairy Commissioner

J. F. Singleton has been selected by the Civil Service Commission to be Canadian Dairy Commissioner.

Mr. Singleton succeeds Dr. J. A. Ruddick who retired on March last and whose leave of absence expires September 3.

Mr. Singleton, who has been acting Commissioner, has been in the dairy and cold storage division of the Department since 1914. He has had a wide experience and training in all branches of dairying.

Clark, Howe, Waters Properties Purchased

From Our Own Correspondent

MONTREAL.—Assets, limits and mill properties of Clark, Howe, Waters & Knight Bros., put up for sale by auction recently have been purchased by Algonquin Corp. Clark, Howe Co. operated lumber properties in Toronto, Burks Falls and Canoe Lake, in addition to a wholesale yard in Toronto. The new organization will close out the Toronto yard at an early date.

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Municipal Bond News
FOR over forty years this organization has been devoting its efforts exclusively to the publication of accurate State and municipal bond news. Not "flash" items or rumors, but carefully prepared news covering all the technical requirements of the municipal market have been responsible for its recognition as "The Authority on Municipal Bonds." It is, therefore, the logical medium for municipal bond sale advertising.
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GRAND RIVER CITIES URGE CONSERVATION

Aid of Province Sought in Big $673,000 Programme —Rural Areas Object

In spite of opposition of rural delegates a determined attempt will be made by Grand River municipalities to have the provincial government assist in getting underway a $673,000 programme of water conservation.

Last week, 150 delegates representing 46 urban and rural municipalities and eight cities and towns, met at Kitchener to formulate a plan on the basis of an exhaustive survey of the Grand River Valley recently completed by the Ontario government engineers. The eight municipalities were Fergus, Elora, Waterloo, Kitchener, Preston, Galt, Brantford and Paris.

The plan calls for construction of two dams, one at the source of the river, at the large marsh in East Luther township, the other at Waldemar, farther along the river's course. The purpose of these two dams is to maintain a constant flow of water during the summer, thus providing better sewage disposal facilities and water supply and to control the spring flood menace which annually does damage along the river.

Rural delegates objected to the development on account of damage they believed it would cause to their property. They pointed out that thousands of dollars had been spent in developing man-made drainage into the Luther marsh and that construction of an eight foot dam would cause their drains to fill and flood their farms.

Plans also provide for the development of a provincial game and fish preserve in Luther when the swamp is raised to that of a fair-sized lake.

Quebec Mayor Heads Union of Municipalities

Lieut.-Col. Henri H. Lavigeur, mayor of Quebec, was elected president of the Union of Canadian Municipalities, at the closing session of the 32nd annual convention recently at Winnipeg. Following officers were also elected: Honorary president, D. Lighthall, Westmount, Que.; first vice-president, Alderman J. J. McCrae, Vancouver; second vice-president, Mayor F. O. Pilz, Preston, Ont.; secretary-treasurer, Samuel Baker, city clerk, London, Ont.

The convention passed a resolution, moved by Reeve Pritchard of Burnaby, B.C., calling upon the Dominion Government to assume the full responsibility for caring for single unemployed men. Hon. T. G. Murphy, Minister of the Interior, was present but did not take part in the discussion.

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INDUSTRIAL ACCEPTANCE CORPORATION Limited
Commercial and Industrial Bankers
Head Office—Windsor, Ontario

Wool Clip in Saskatchewan

The number of sheep in Saskatchewan in 1931 was 279,000, and the wool clip totalled 1,605,000 pounds, the estimated value of the clip being $80,000.

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CANADIAN NATIONAL EXPRESS
MONEY ORDERS

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Winnipeg's Newest Hotel
The Marlborough
In the Heart of the City
Fireproof Construction—European Plan
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WESTERN SAVINGS and LOAN ASSOCIATION
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Argentine: E. L. Clough, Buenos Aires.
Australia: Hugh Scott-Young, Melbourne, Australia.
New Zealand: H. W. Airey, Ltd., Auckland, Dunedin, Wellington.
South Africa: L. C. Carrick, Johannesburg.
Newfoundland: S. Elliott & Co., St. John's.
British West Indies: Wilson & Johnstone, Ltd., Port-of-Spain, Trinidad. L. W. Huddle, Kingston, Jamaica.
China, Hongkong & Japan: Horn & Nobbins, Shanghai, China.
British Malaya. T. B. Rogers & Co., Ltd., Singapore, Straits Settlements.
Peru: M. E. Biber, Lima.
India: H. Maddison, Calcutta.

A Few Copies Left

Canadian Stock Market Leaders of Tomorrow

Canadian Stock Market Leaders of To-morrow

Without prejudice and without any claim to prophetic vision, The Financial Post a few months ago published a series of articles on good Canadian stocks that seemed to meet the most obvious tests that needed to be applied to good securities. These articles were reprinted in booklet form. A few copies of this booklet (48 pages and cover) are available at 25c

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Insurance for Buyer and Seller

SEVEN PROVINCES MOVE TO ADOPT NEW AUTO LAW

New Policy Form Approved and Becomes Effective Sept. 1

Seven Canadian provinces will adopt uniform automobile policy forms on and after September 1 according to word sent to all insurance companies this week and accompanying the final report of the special committee of automobile underwriters which has for two months been studying the question of suitable standard forms usable under new financial responsibility statues which are being introduced into most Canadian provinces this year.

The chief difference between the old and new forms is that in the new form the passenger hazard is definitely eliminated from the automobile insurance policy unless it is inserted by request, on payment of an additional premium. Approval of this new form means that automobile owners will be no longer covered in their policies against damages to any passenger they may have in their car at the time of an accident, unless special coverage is taken outside the regular policy.

Only New and Renewals

The new policies will affect only new or renewal business on or after September 1, so that although adoption by seven provinces — Ontario, British Columbia, Manitoba, Nova Scotia, Alberta, Saskatchewan and New Brunswick—is planned for that date this will not affect policies already in date at that time, until such policies are renewed. In British Columbia, Manitoba, Ontario and Nova Scotia, new uniform automobile insurance acts were enacted at recent sessions of the respective parliaments and agreements have been made to proclaim the new acts on September 1 in each province. Proclamation of the act has already been made to this effect in all these provinces. In three additional provinces namely Alberta, Saskatchewan and New Brunswick, wide powers have been conferred on the Lieut.-Governor in Council, which may be used to make the act effective in a similar manner.

The new act, on and after the date of its coming into force, applies to all insurers carrying on the business of automobile insurance in each province and to all contracts made in the province. Inasmuch as the act prescribes new forms of contract and involves new forms of policy, insurers are reminded that a new written application and a new form of policy must be issued in respect of all policies issued after the effective date of the act either by what might be termed renewal or otherwise.

Special Committee Reports

It is on account of this necessity for an entirely new policy that a committee of underwriters especially appointed for the purpose has been working for the past two months to achieve a form satisfactory to tariff and non-tariff, mutual and joint stock companies alike. The original form suggested was one drawn up by the policy forms committee of the Canadian Automobile Underwriters' Association and subsequently a committee composed of the following membership and representatime of all companies has approved the new automobile policy form. The committee follows:

R. L. Foster, Ontario insurance superintendent, chairman; H. L. Kearns, American Automobile Ins. Co.; P. H. Horst, Toronto General Ins.; H. E. Wittick, Pilot Insurance Co.; A. E. L. Wetmore, Portage La Prairie Mutual; D. M. Dewar, Sun Insurance; John Wilson, Western Assurance; R. C. Milne, Ocean Accident; C. C. Paull, Norwich Union.

THE
ONTARIO EQUITABLE
LIFE AND ACCIDENT
INSURANCE COMPANY
Head Office — Waterloo, Ont.

Assets (Dec. 31, 1931) $ 8,125,139
Policy Reserves 6,846,054
Insurance in Force ... 51,355,672

INVESTMENT
for the present—
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The MONARCH LIFE
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Ask us for details of a Monarch Life Policy that will meet every one of your needs.

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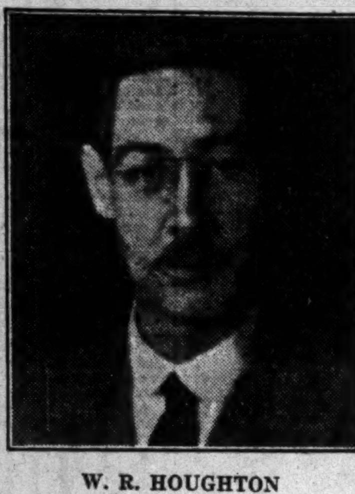

W. R. HOUGHTON
Manager in Canada for the London and Lancashire Insurance Co., who was recently appointed vice-president for Ontario for the Canadian Fire Underwriters' Association.

PROVINCES FIND HEALTH INSURANCE IMPORTANT TOPIC

Four Jurisdictions Active in Finding Satisfactory Solution

Discussion and study of health insurance plans are proceeding apace in Canada. In the lead is British Columbia where the final report of the Royal Commission on State Health Insurance and Maternity Benefit, issued recently, recommends that a provincial scheme be installed at an early date.

At least three other provinces, namely, Alberta, Manitoba and Quebec are actively studying this question, the Quebec Commission having already visited most of the important countries of the world in an effort to collect authentic data on the subject.

Manitoba's plan has been the appointment of a commission working through a legislative committee which is to revise the Public Health Act in order to facilitate the work of disease prevention and health preservation, and particularly to provide for more effective enforcement of the public health laws."

Alberta Also Busy

Just last week, Alberta appointed a commission to study possible methods of health insurance in the province. The commission will report to the next session of the Legislature and will study the best method of making adequate medical and health service available to all people in the province and the financial arrangements required to ensure the services.

Hon. George Hoadley, minister of health, is chairman of the commission, which comprises seven members of the Legislature.

B. C. Plan Outlined

The plan outlined by B. C. proposes that all employed persons between the ages of 16 and 70 in receipt of not more than $2,400 a year be included, and such others as might join the scheme, voluntarily. The plan excludes venereal disease, alcoholic ailments or maladies brought on by wilful fault.

Funds would be collected monthly from employee, employer and the State, a system of stamps being used somewhat similar to that employed in England. The suggestion is that the State pay two-ninths of the total cost, the employers two-ninths and the employees five-ninths of the total.

The report indicates that the recommendations are based upon the commission's study of kindred schemes in the Old World which, it is claimed, are "alleviating for the poorer classes the dread incubus of sickness costs . . . reducing premature mortality and raising the general standard of health among the masses."

A. E. Dodds Appointed to Perth Mutual Office

A. E. Dodds has been appointed general manager of the Perth Mutual Fire Insurance Co. to succeed the late George Kay whose death occurred on May 28.

Mr. Dodds has been with the company in the capacity of accountant, inspector and finally secretary, for the past 18 years. Other officers of the company are G. G. McPherson, president, J. A. C. Kay, inspector and J. M. Macrae, acting secretary.

Perth Mutual was established in 1863 with head office at Stratford and is one of the four famous Ontario cash mutual insurance companies with head offices in western Ontario which have built up a tremendous volume of farm insurance business in the past fifty or sixty years.

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BRITISH
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38 CANDIDATES ATTAIN SUCCESS IN C. L. U. EXAMS

Ontario Leads Provinces — Sun Representatives Head Companies

Thirty-eight life insurance underwriters have successfully passed the final examinations of the Life Underwriters' Association of Canada and may use the title and designation "C.L.U." after their name, according to an announcement made this week. In addition, 14 candidates have successfully passed the second year, intermediate exams of the association and 107 have passed the first year or preliminary exams.

Of those passing the final exam, 17 or nearly half are from Ontario. Six are from Toronto and five from both Montreal and Vancouver. By companies, Sun Life of Canada and Mutual of Canada lead, the Sun having 14 representatives out of the total of 38 and the Mutual of Canada, 7. Other companies represented were: Canada and London Life with 3 each; Confederation and Manufacturers' with 2 each; and Crown, Excelsior, Continental Dominion, Travelers' and Imperial with 1 each.

Names of candidates winning the C.L.U. award follow:

New Westminster
J. S. Graham, Sun Life.
Kenneth G. MacKenzie, Mutual of Canada.

Vancouver
John R. Lindsay, Sun Life.
Donald M. MacDonald, Sun Life.
John S. Ney, Mutual of Canada.
George H. C. Phillips, Sun Life.
Archibald M. Sinclair, Crown Life.

Edmonton
Norman E. McLeod, Mutual of Canada.

Saskatoon
Robert B. Irvine, Confederation Life.
George R. Mills, Confederation Life.

Brandon
William J. H. Chittick, Manufacturers Life.
James G. Murdoch, Excelsior Life.

Winnipeg
Frank Garnett, London Life Co.

Hamilton
Norris A. Waldron, Manufacturers Life.

Kitchener
Miss Lillie A. Beattie, Sun Life Co.

London
Roy S. Dale, Sun Life Assurance Co.

Niagara Falls
Vurnyer A. Craig, Mutual of Canada.
Archibald P. Marshall, Canada Life Co.

North Bay
Ernest E. Codere, Sun Life.

St. Catharines
Jack H. Gill, Continental Life.

St. Thomas
Wilfred Addinall, London Life.

Stratford
Robert J. Thistle, Mutual of Canada.

Sudbury
William S. Beaton, Dominion Life.
Arnold R. M. Ritari, Sun Life.

Toronto
James A. Bartlett, Sun Life.
Wilfred D. Dynes, London Life.
George G. Emery, Mutual of Canada.
G. Shannon Grover, Sun Life.
J. Paul Michaud, Mutual of Canada.
John C. Ross, Travelers Ins.

Montreal
Donald A. Budge, Sun Life.
Jean A. Giasson, Sun Life, Outremont, Que.
Ernest Javet, Sun Life.
Richard H. Oland, Canada Life.
Albert E. Stanway, Sun Life.

St. John
G. Herbert Rogers, Canada Life.

Halifax
Norman S. Thompson, London Life.

Charlottetown
Arthur R. McInnis, Imperial Life.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

British Canadian

Can you give me some information as to the position of the British Canadian Fire Insurance Co.?

Is it a sound company and am I wise in placing a line of business with it?

British Canadian Fire Insurance Co. is regularly licensed by the Federal Insurance Department at Ottawa, which maintains competent supervision over the company. It also maintains at Ottawa a deposit of approximately $100,000 for the additional protection of policyholders.

It is a member of a strong insurance group with an excellent record and to the best of our knowledge is a safe organization with which to insure.

Sun Life Policy

I hold a 15-year paid-life policy in the Sun Life Assurance Co., maturing 1934. I have left the dividends to accumulate to the amount of about $450.

Do you advise me to take what I can get or to wait until maturity as I am concerned for the welfare of the company.

As we have pointed out previously in The Financial Post, we believe the Sun Life will continue to pay its obligations, not only immediately they become due, but also in full, without any question.

The company is feeling the present situation probably to a greater extent than most other insurance companies because of its heavy investment in common stocks. Its strength lies, however, in the fact that there is every prospect that these holdings will not have to be sacrificed as current income is normally considerably in excess of current disbursement.

This, in part, is responsible for the fact that to our knowledge no Canadian company, in spite of three years of disturbing conditions, has had to sacrifice a dollar's worth of its investments to meet demands from policyholders for maturing contracts, loans and so forth.

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
61 Years in Business
Capital $2,000,000—Reserve Fund $3,200,000.
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
4% Paid on Deposits. 5½% on Debentures.
JOHN G. RICHTER, *President.* T. H. MAIN, *Manager.*

HALIFAX FIRE CO. ISSUES '31 REPORT

Profit on Underwriting But $600,000 Set Aside for Depreciation

Underwriting profit of $51,402 is shown in the 1931 annual report of the Halifax Fire Insurance Co., Canada's oldest fire insurance concern.

Net premiums were $1,155,804. Losses amounted to $607,787, or 52.5 per cent of the premiums; taxes to $28,945, or 2.5 per cent; and expenses to $467,669, or 40.5 per cent, leaving a profit of $51,402. The sum of $75,168 transferred from reserve for unearned premiums. Net gains from dividends, interest and rents totalled $277,456, making the total gain from all sources $404,026.

The company showed assets of $5,549,826; which include cash of $714,437; stocks and bonds of $4,625,352, premiums uncollected, in course of transmission and in the hands of agents of $171,318; accrued interest of $19,555; real estate of $18,000; and other assets of $1,162.

While the holdings of the company have been valued on the basis laid down by the Department of Insurance, the directors deemed it advisable under existing circumstances to set up a special reserve for depreciation so that the net surplus would reflect the actual market value of stocks, bonds and debentures as of December 31, 1931, and the sum of $600,000 has been appropriated for that purpose.

During the year regular dividends at the rate of 12 per cent per annum on the capital stock of the company have been declared payable in United States funds at a cost in exchange of $18,439.97, all of which have been paid out of interest and dividends.

H. H. Garrett Receives Massie & Renwick Promotion

H. H. Garrett has been appointed assistant general manager of Massie & Renwick, Ltd., manager for Canada of the following companies: Dominion Fire, Northwestern National; National Ben Franklin; Ensign Insurance; Firemen's Insurance; Girard Fire & Marine; and Metropolitan Casualty.

For some years Mr. Garrett was in the fire department in the Montreal head office of the Royal Insurance Co., having joined that organization in 1913, later taking charge of the automobile department. In 1924 he joined the staff of the Liverpool and London and Globe Insurance Co. at the head office in Montreal, following which he was appointed resident inspector at Ottawa, where he remained two years. Subsequently he was appointed casualty superintendent in the Winnipeg office of that organization.

Mr. Garrett joined the staff of Massie & Renwick, Ltd., in 1930 as casualty superintendent.

New Officers Elected for Fire Underwriters

New officers elected by the Canadian Fire Underwriters Association at the annual meeting held recently in Lucerne-in-Quebec are as follows:

J. H. Labelle of the Royal Insurnace Co., elected president in succession to J. H. Riddel. W. R. Houghton of the London and Lancashire Guarantee and Accident Insurance Co. of Canada was elected vice-president for Ontario, and W. E. Findlay of the Springfield Fire and Marine Insurance Co. was elected vice-president for Quebec.

Members of the executive committee elected were as follows: W. E. Baldwin, Continental Insurance Co.; J. H. Riddel, Eagle Star and British Dominions Insurance Co.; A. M. M. Kirkpatrick, Home Insurance Co.; Douglas Cowrie, Caledonian Insurance Co.; H. A. Joselin, New York Underwriters Insurance Co.; E. J. Ray, North British and Mercantile Insurance Co.; C. Stuart Malcolm, Royal Exchange Assurance; H. E. Mills, Insurance Co. of N. America; J. W. Tatley, Phoenix Insurance Co. of Hartford; R. Lynch Stailing, Sun Insurance Office Ltd.; Kenneth Thom, Western Assurance Co., and P. L. Monkman, Yorkshire Insurance Co.

Shipments of Live Cattle

Canada shipped 9,793 live cattle to Britain this season up to the end of June. This compares with 8,145 head for the corresponding period last year.

Current Events in Banking World

CANADIAN BANKS COLLECT BOTH U.S. AND CANADIAN TAX

Collection Differences Make Banks Responsible for Both Charges

Differences in the system of collection of the new tax on cheques in the United States from that in force in Canada, make necessary the collection of this tax from Canadian purchasers of United States money orders and drafts.

While the issuer of a cheque or draft in Canada, drawn on a bank in the Dominion, is technically liable to affix a revenue stamp thereto, it is the responsibility of the paying bank to see that this stamp is affixed and therefore in a great many instances the person who cashes the item is charged with the stamp.

In the United States, however, there are no revenue stamps and the tax is collected by the banks on the number of items passing through their current and savings accounts. These items are totalled monthly and two cents for each item is debited to the respective accounts.

As all drafts and money orders, issued by Canadan banks, are debited to their accounts with the branch or bank at which they are payable, Canadian banks collect this United States stamp tax to reimburse themselves for the debits made against their accounts.

Stamp System Preferred

Bankers interviewed by The Financial Post stated that they could not understand why the United States authorities had not issued a cheque stamp as was done in Canada and the United Kingdom in order to simplify the collection of the tax. They stated that they were certainly glad that the system used in the United States did not apply in Canada as it would entail a large amount of unproductive work.

Lack of a balance at the end of the month to cover the necessary debits for stamp tax on cheques which had passed through the account during the month, was seen as a complication by Canadian bankers. It was stated that many accounts never had more than a few cents balance although a large number of cheques passed through the account and debiting the charges to these accounts would create a series of small overdrafts.

As far as the Canadian public are concerned they are now forced to pay not only the Canadian tax which must be collected in Canada by the issuing bank but also the United States tax which becomes the responsibility of the issuing bank when the items are debited to its account.

Bank Chat

Canadian Bank of Commerce announces the following changes in staff and branches:

BRODHAGEN, Ont., branch was closed on July 9, the business being absorbed by the branches at Moncton, Mitchell and Walton.

PLEASANTVILLE, Sask., branch will be closed on July 15 and the business absorbed by the Naicam and Melfort branches.

WALTON, Ont., branch will be operated as a sub-agency under the Blyth manager, commencing July 15, and will be open for business on Monday and Thursday of each week.

H. J. HARRISON, manager at Black Diamond, Alta., has been appointed manager at Dawson Creek, B.C., the present manager at Dawson Creek, J. F. GALBRAITH, will be attached to the Superintendent's Department, Calgary.

W. A. LEWIS, formerly manager at Hardisty, Alta., branch, has been appointed manager at Roncesvalles and Geoffrey branch, Toronto.

C. R. DAVIS, formerly manager of the Royal Bank of Canada at Shelbourne, Ont., has been appointed manager at Ridgetown, Ont. He will be succeeded at Shelbourne by B. M. BUTCHART, of Sunridge, Ont., branch.

Royal Bank of Canada have announced the closing of their Palmerston, Ont., branch.

The New U. F. A. Bank?

The following prospectus, in mimeograph form, arrived in a plain envelope post-marked Edmonton. There is no clue as to where it came from other than that, although the expert on typewriter keys might set to work as the name and address of The Financial Post were typed.

Here it is for what it is worth:

THE NON-CAPITALISTIC BANK
OF CANADA

HEAD OFFICE: SOMEWHERE IN
ALBERTA, CANADA

CAPITAL: IT'S AGAINST THE
BANK'S PRINCIPLE TO DEAL
WITH CAPITAL

REST or RESERVE FUND: FIRST
COME, FIRST SERVED

Branches located throughout the country. Special attractions offered.

Current accounts opened without formalities of any kind and interest allowed at 5 per cent on maximum daily balance. No objection is made to over-drafts. Special deposits received and interest at the liberal rate of 10 per cent per annum, made up and added to principal at the end of each month.

Loans — Granted to any amount without delay or security at 3 per cent per annum. Should the borrower desire not to meet his note at maturity the bank will gladly hold it over to any length of time free of all charges.

Customers allowed to print their own bank notes up to any amount. The only stipulation is they must be perforated every eight inches and the paper of standard thinness.

In order to be up with the times the bank has decided to open all its branches from noon to two p.m. with a free lunch counter. Customers are cordially invited to bring their families and friends.

Ladies Room—A luxurious suite of reading rooms, also writing and retiring rooms are maintained at every branch. Stationery and postage stamps are provided free, a pleasing and affable junior clerk is detailed to lick the stamps—and such like.

Bank notes converted into gold at a moment's notice; your choice of gold—green, white, or yellow.

PRESIDENT
M. P. GARLAND

VICE-PRESIDENT
M. L. A. BROWNLEE

GENERAL MANAGER
U. F. A. GARDINER

SUPERINTENDENT OF BRANCHES
BANKER T. BEVENGTON

Office hours—9 a.m. to 7 p.m. Saturdays 9 a.m. to 10 p.m. Sundays 3 a.m. to 6 a.m.

A hearty welcome to all.

Calls Loans Abroad Lowest Since 1908

May Bank Statement Shows All Items in Immediately Available Liquid Resources Group Lower With Exception of Dominion Notes

Call loans abroad have fallen below the previous recent low mark of January, 1932, to $65,285,570, which is the lowest figure since September, 1908, according to the combined statement of all Canadian chartered banks for May. This is a decrease of $7,870,000 from the previous month and compares with the February total of $98,954,000, which was the high point for the year.

This decrease is mainly responsible for the drop in immediately available liquid resources of $10,270,000 as compared with the previous month. In this group, holdings of government securities are down $4,482,000 and all other items are slightly down with the exception of holdings of Dominion notes which are increased $3,555,000.

Savings deposits are down $5,861,000 from the previous month and $69,384,000 from the figure of May, 1931. Demand deposits show an increase of $3,345,000 although current loans are down over twelve million dollars.

Loans to both provinces and municipalities are lower in May than in the previous month, the decrease in loans to municipalities being the first since July, 1931.

The Financial Post credit ratio has dropped 1 per cent from the previous month standing at 62.1 per cent in April, 1932, and 65.1 per cent in May, 1931.

An analysis of the bank statement made by The Financial Post follows and the official statement will be found elsewhere in this issue.

	May, 1932 $	April, 1932 $	Change $	May, 1931 $	Change $
ASSETS					
Immediately Available Liquid Resources					
Specie	55,459,572	55,912,695	— 453,123	67,981,619	— 12,522,047
Dom. notes ...	115,415,345	111,860,069	+ 3,555,276	108,440,136	+ 6,975,209
Gold reserve ..	22,581,732	23,031,732	— 450,000	29,130,866	— 6,549,134
Foreign banks.	108,189,539	108,672,771	— 483,232	94,913,552	+ 13,275,987
Foreign curr. .	15,246,599	15,334,395	— 87,796	17,336,595	— 2,089,996
Govt. secs. ...	465,484,096	469,966,209	— 4,482,113	454,160,756	+ 11,323,340
Call loans ab'd	65,285,570	73,154,935	— 7,869,365	97,645,982	— 32,360,412
	847,662,453	857,932,806	— 10,270,353	869,609,506	— 21,947,053
Loans and Securities Other Than Those of Canadian Government					
Public secs. ..	140,808,229	138,523,889	+ 2,284,340	153,050,495	— 12,242,266
Railway secs..	57,129,954	57,755,460	— 625,506	61,680,044	— 4,550,090
Can. call loans	113,830,496	122,360,542	— 8,530,046	187,374,589	— 73,544,093
Current loans .	1,057,227,680	1,069,590,424	— 12,362,744	1,138,994,831	— 81,767,151
Loans abroad .	187,081,686	184,583,037	+ 2,498,649	211,303,992	— 24,222,306
Prov. loans ..	36,669,250	39,425,139	— 2,755,889	22,855,746	+ 13,813,504
Mun. loans	153,519,049	154,014,947	— 495,898	123,399,555	+ 30,119,494
	1,746,266,344	1,766,253,438	— 19,987,094	1,898,659,252	—152,392,908
Other Assets					
Non-curr. loans	11,939,669	11,212,467	+ 727,202	9,058,541	+ 2,881,128
Real estate ...	6,955,208	6,862,213	+ 92,995	6,181,145	+ 774,063
Mortgages	6,194,547	6,274,005	— 79,458	6,338,601	— 144,054
Premises	79,950,760	79,987,362	— 36,602	78,674,571	+ 1,276,189
Lets. of credit	48,901,331	51,943,138	— 3,041,807	76,449,819	— 27,548,488
Loans to comp.	12,850,626	13,002,237	— 151,611	14,525,672	— 1,675,046
Other assets ..	1,637,467	1,798,662	— 161,195	1,798,550	— 161,083
	168,429,608	171,080,084	— 2,650,476	193,026,899	— 24,597,291
Total	2,762,358,405	2,795,266,328	— 32,907,923	2,961,295,657	—198,937,252
Note cir. dep..	6,834,928	6,829,384	+ 5,544	6,804,008	+ 30,920
Int. bank bal...	98,411,172	98,326,047	+ 85,125	114,174,907	— 15,763,735
Gross	2,867,604,505	2,900,421,759	— 32,817,254	3,082,274,572	—214,670,067
LIABILITIES					
To the Public					
Circulation ...	131,073,118	137,352,511	— 6,279,393	143,749,692	— 12,676,574
Dom. Govt. ...	50,383,696	65,755,851	— 15,372,155	33,427,383	+ 16,955,313
Prov. Govt. ..	19,312,381	24,045,874	— 4,733,493	20,067,893	— 755,512
Govt. advances.	29,600,000	27,500,000	+ 2,100,000	10,500,000	+ 19,100,000
Deposits by Public					
Demand dep. .	497,987,216	494,641,968	+ 3,345,248	580,035,001	— 82,047,785
Savings dep. .	1,387,026,640	1,392,887,756	— 5,861,116	1,456,411,063	— 69,384,423
Total	1,885,013,856	1,887,529,724	— 2,515,868	2,036,446,064	—151,432,208
Foreign dep. .	308,936,683	304,808,725	+ 4,127,958	338,121,323	— 29,184,640
Due to Banks Abroad, Etc.					
Un. Kingdom .	4,942,608	5,113,067	— 170,459	4,856,096	+ 86,512
Foreign	51,353,165	54,364,264	— 3,011,099	75,438,621	— 24,085,456
Bills payable .	1,252,710	1,606,712	— 354,002	3,972,873	— 2,720,163
Lets. of credit	48,901,331	51,943,138	— 3,041,807	76,449,819	— 27,548,488
Other liabs. ..	2,222,440	2,427,820	— 205,380	2,916,807	— 694,367
Public liab. ..	2,532,991,988	2,562,447,686	— 29,455,698	2,745,947,071	—212,955,083
Due bet. banks	10,859,402	9,482,664	+ 1,376,738	12,267,297	— 1,407,895
Liability to Shareholders					
Dividends	3,531,670	1,369,748	+ 2,161,922	3,518,642	+ 13,028
Reserve	162,000,000	162,000,000	....	162,000,000	....
Capital	144,500,000	144,500,000	....	144,500,000	....
Gross	2,853,883,060	2,879,800,098	— 25,917,038	3,068,233,010	—214,349,950
Credit index ..	62.1%	63.1%	— 1.0%	65.1%	— 3.0%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

Metropolitan Commission Sells Short Term Issue

From Our Own Correspondent

MONTREAL.—Metropolitan Commission of Montreal has agreed to sell to the Bank of Montreal and Banque Canadienne Nationale, 1800 short term 6 per cent bonds of $1,000 each at 99. The bonds mature in November, 1934. This short term loan of $1,800,000 will be used to repay bank loans issued to the Commission on behalf of various municipalities which had loan by-laws for varying amounts approved by their ratepayers.

Weekly Bank Clearings

Eastern Cities	July 9, 1931.	July 7, 1932.
Halifax	$ 4,348,049	$ 3,327,647
Saint John	2,756,852	1,745,213
Moncton	954,164	578,180
Sherbrooke	818,811	736,643
Quebec	7,689,621	5,967,977
Ottawa	7,072,363	4,563,727
Montreal	115,166,930	85,991,050
Kingston	996,340	672,102
Peterboro'	945,962	754,019
Toronto	101,694,900	77,812,105
Hamilton	5,873,281	4,541,961
Kitchener	1,149,892	784,652
Brantford	1,385,912	1,239,960
London	3,392,639	2,982,185
Chatham	649,146	474,029
Windsor	3,515,061	2,648,643
Sarnia	552,243	492,451
Sudbury	816,229	515,999
Western Cities	**July 9, 1931.**	**July 7, 1932.**
Fort William	$ 895,787	$ 654,758
Winnipeg	54,360,488	50,941,234
Brandon	520,734	484,781
Regina	4,521,338	3,742,847
Moose Jaw	1,151,255	831,432
Saskatoon	2,045,934	1,563,671
Prince Albert ...	445,628	307,112
Edmonton	4,976,628	4,300,834
Calgary	7,158,074	4,826,940
Medicine Hat	382,239	267,137
Lethbridge	481,769	360,035
New Westminster	757,901	597,580
Vancouver	30,234,745	13,818,576
Victoria	2,446,665	1,764,425

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Markets

WEEK ENDING JULY 11

Range 1932 High	Low	Divd. Rate	Yield in % July 9		Sales	Close July 4 (or last)	Week Ending —July 11— High	Low	Close
17	8			Simon & Son..	40	6	5	5	5
80	65	7	10.7	Do. pref.	....	65	..	..	..
55½	12	.	...	Simpson, Ltd..	40	12	14	12	12
x44½	36	.	...	Do. (A)	....	..	..	..	..
x35½	24½	.	...	Do. (B)	....	..	..	..	..
77	77	6	7.8	Simpson, R., p.	....	77	..	..	..
25	10	1	8.3	So. Can. Pr. ..	25	12	12	12	12
90	60	6	9.7	Do. pref. ..	3	61½	65	62	65
1.00	.50	.	...	St. Law. Corp.	....	.50	..	..	..
4	1½	.	...	Do. (A)	5	1½	1½	1½	1½
12	9	.	...	St. Law. Flour	....	9	..	..	..
80	70	7	10	Do. pref. ...	7	75	70	70	70
11	1¾	.	...	St. Law. Pa. p	....	1¾	..	..	..
x30	4	.	...	St. Maur. V. p	....	..	..	..	..
3	1½	.	...	St. Pav. & Mat.	....	1½	..	..	..
46	25	4	13.5	Do. pref. ...	10	25	29½	29½	29½
5	4	50c	..	Stand. Chem.	....	5	..	..	..
x1	1	.	...	Stanfords ..	....	..	..	..	..
3½	1½	.	...	Stand. Steel ..	....	1½	..	..	..
x35	30	3		Do. pref. ...	....	..	..	..	..
24	10½	1.75	13.5	Steel of Can..	600	12½	13½	12½	13½
29	20	1.75	8.7	Do. pref. ...	....	20	..	..	..
½	½	.	...	Sterling Coal	....	½	..	..	..
18½	9½	1	8.3	Sup. Pete. ord.	35	13	12	11½	12
x31	14	1		Do. com. ...	....	..	..	..	..
98	90	7	7.6	Do. pref. ...	5	90	92½	92½	92½
42	35	.	...	Tamblyn	10	42	35	35	35
100½	95	7	7.2	Do. pref. ...	15	96½	97	97	97
18	15	3.50	23.3	Thayers, pref..	....	15	..	..	..
7	3	.	...	Tip Top Tailors	....	3	..	..	..
67	50	6	12	Do. pref. ...	....	50	..	..	..
x22	10	.	...	Tooke Bros. ..	....	..	..	..	..
x67	48½	.	...	Do. pref. ...	....	..	..	..	..
13	7	.	...	Tor. Elevators.	....	7	..	..	..
210	135	10	7.4	Tor. Gen. Tr. .	2	160	135	135	135
92	85	6	6.5	Toronto Mtge..	....	92	..	..	..
x3	1	.	...	Traymore	....	..	..	..	..
x12½	7	.	...	Do. pref. ...	....	..	..	..	..
120	105	7	6.7	Tuckett Tob. p	....	105	..	..	..
5	2	.	...	Twin City	....	5	..	..	..
b24½	7	.	...	Do. pref. ...	....	..	..	..	..
37	23	.	...	Do. (notes) .	....	23	..	..	..
5	1½	.	...	Union Gas ...	315	3½	3½	3½	3½
100	100	5	5	Union Trust ..	....	100	..	..	..
x8	3	.	...	United Fuel ..	....	..	..	..	..
15	5	.	...	Do. pref. ...	....	5	..	..	..
24⅝	24⅝	2	8.1	United Secs. ..	....	24⅝	..	..	..
11	5	.	...	Viau Biscuit .	....	6	..	..	..
75	60	7	11.7	Do. pref. ...	....	60	..	..	..
12	5	.	...	Wabasso Cot. .	5	5	5	5	5
5⅝	2½	.	...	Walker-Good. .	2048	5	5	4½	4½
12	9	1	10.5	Do. pref. ...	6782	9¾	9½	9¾	9½
3¾	1	.	...	Waterloo Mfg..	200	2	1½	1	1
80	75	7	...	W. Koot. Pr. p	....	80	..	..	..
8	5½	.	...	West. C. Flour	....	5½	..	..	..
60	60	6.50	10.8	Do. pref. ...	5	..	60	60	60
11	10	.	...	West. Grocers.	....	11	..	..	..
54	43	7	15.5	Do. pref. ...	....	45	..	..	..
x91	85	.	...	W. Steel Pr. p	....	..	..	..	..
18½	16½	1	5.9	Weston Bisc. .	....	16½	..	..	..
70	65	7	10.4	Do. pref. ...	....	67	..	..	..
10	10	.	...	Windsor Hotel	....	10	..	..	..
38	20	3.25	16.2	Do. pref. ...	....	20	..	..	..
8	2	.	...	Winnipeg Elec.	282	3½	3½	2½	3
15	14	.	...	Do. pref. ...	2	14	15	15	15
x46	36	.	...	Woods Mfg. p.	....	..	..	..	..

x Quotations for 1931. No sales recorded in 1932 to date.
b New York Quotations.
‡ Quotations for 1930.
† Plus 30c. extra paid Jan. 2, 1932.
§ 2% stock dividend payable Sept. 1; 2% paid June 1; 25c cash paid Mar. 1, 1932.
* Minimum price is set, below which trading is not permitted for time being. List of minimum prices is given elsewhere.

Foreign Exchange

	New York Funds High (Premium) %	Low %	Last Year High (Premium) %	Low %
July 6	14 1-16	13 3-4	21-64	5-16
July 7	14 1-16	13 7-8	5-16	19-64
July 8	14 5-16	14	19-64	17-64
July 9	15	14 5-16	9-32	15-64
July 11	14 7-8	14 1-2	15-64	3-16
July 12	14 3-4	14 1-4	13-64	5-32

STERLING, FRANCS AND LIRE
(Close Demand in New York)

	Sterling	Francs	Lire
July 6	3.55 1-2	3.92 7-8	5.10 5-8
July 7	3.56 5-8	3.92 1-2	5.10 7-8
July 8	3.58	3.92 3-4	5.10 1-8
July 9	3.57	3.92 1-2	5.10
July 11	3.56	3.92 5-8	5.09 3-4
July 12	3.55 3-8	3.91 1-2	5.09 1-2

FOREIGN EXCHANGE
(Close Demand in Toronto)

		June 28	July 5	July 12
5.26	Italian	5.81½	5.83	5.85½
23.80	German	27.09½	27.00	27.22
13.90	Belgian	15.92½	15.85	15.96½
49.80	Japanese	31.15	31.60	31.84½

Listed Bond Quotations

Week Ending July 11

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1932 High	Low
Abitibi, 1st mtge.	5	1953	...	22½	...	...	46	19½
Asbestos	5	1942	...	...	...	...	65½	49
Asbestos, 1st mtge.	6	1941	...	...	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	*69½	...
Can. Cottons	5	1940	...	...	...	...	*91	90
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	‡96	...
Can. Pr. (Laur.)	5½	1958	...	†6½	...	...	7	6
Do. (Way. Ser.)	5½	1958	...	...	...	...	*28½	5½
Can. S. S. deb.	5	1943	...	...	...	...	‡98½	...
Cedars Rapids	5	1953	5.28	†100	...	...	100	95
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dom. Coal	5	1940	...	†98½	...	...	*98½	98
McNish	6	1948	...	†1.25	...	...	1.25	...
Mex. L. & Pr.	5	1940	...	...	...	...	*73½	70½
Mont. L.H.&P. debs.	3	1939	...	...	37½	35	40½	35
Mont. Tr. 1st mtge.	5	1941	6.32	...	...	...	93½	91
Mont. Tr. "A"	5	1955	7.90	69½	69½	...	80½	69½
Mont. Tr. G. & R. "B"	5	1955	7.45	69½	...	...	79½	78½
Do., "C"	4½	1955	...	...	...	...	*85	84
Do., "D"	5	1955	6.62	69½	...	...	81	78
N. S. Steel	5	1959	...	†44	...	...	*62½	59
Ont. Steel	6	1943	5.94	90	...	...	100½	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Can.	6	1940	5.90	100⅝	100⅝	...	102½	100½
Wayagamack	6	1951	...	†41	...	...	*75	45
Winn. Elec.	5	1935	...	†85	...	...	*99½	98½
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Can.	6	1940	5.60	...	...	...	102½	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1937	2.98	108.25	....	....	107.00	105.00
Victory Loan	5½	1933	4.60	100.90	100.85	....	101.25	100.25
Do.	5½	1934	5.27	100.45	100.30	....	100.85	99.25
Do.	5½	1937	4.30	105.50	105.50	....	108.15	104.00
Do., refund	4½	1940	5.22	93.00	....	....	94.60	91.50
Do., refund	5	1943	5.29	97.25	....	....	98.25	95.38
Do., refund	4½	1944	5.34	91.25	....	....	92.25	89.50
Do., refund	4½	1946	5.37	91.50	91.50	....	92.25	91.50
Do., renewal	5½	1932	3.00	100.60	....	....	100.60	100.25
Conversion Loan	4½	1956	5.25	88.50	....	....	91.25	88.25
Do.	4½	1957	5.37	88.50	88.00	....	90.50	88.00
Do.	4½	1958	5.28	89.85	....	....	92.75	88.50
Do.	4½	1959	5.21	90.25	....	....	92.25	89.00
Nat. Service Loan	5	1936	5.63	98.25	97.75	....	98.50	96.25
Do.	5	1941	5.40	97.25	97.25	96.75	98.25	95.00

†Latest ask.
‡Quotations for 1930. *For 1931. None recorded in 1932 to date.

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Ajax Oil	12c	3c	July 15	June 30
Acme Farmers Dairy pfd.	7%	3½%	Aug. 10	July 30
Agnew Surpass, pref.	7%	1¾%	Oct. 1	Sept. 15
Belding Corticelli	7%	1¾%	Aug. 1	July 15
Do., pref.	7%	1¾%	Sept. 15	Aug. 31
Beatty Bros. 1st pfd.	$6	$1.50	Aug. 1	July 15
Bordens	$2	50c	Sept. 1	Aug. 15
Brantford Cordage 1st pfd.	$2	50c	July 15	June 20
Brazilian Tr., ord.	...	2% stk.	Sept. 1	July 30
Bell Telephone	7%	1¾%	July 15	June 23
B.C. Power (A)	$2	50c	July 15	June 30
B.C. Elec. Rly. pref.	5%	2½%	July 15	July 5
B.C. Telephone 2nd pfd.	6%	1½%	Aug. 1	July 15
Can. Northern Pr.	80c	20c	July 25	June 30
Do., pref. 7%	7%	1¾%	July 15	June 30
Canadian Car c.	60c	15c	Aug. 30	Aug. 15
Canada Bud	$1	25c	July 15	June 30
Can. Converters	$2	50c	Aug. 15	July 31
Can. Fairbanks pfd.	6%	1½%	July 15	June 30
Can. Southern Rly. c.	$3	$1.50	Aug. 1	July 1
Can. L. & Power	$1	50c	July 15	June 30
Canada Dry	$1.20	30c	July 15	July 1
Can. Bronze	$1.25	31¼c	Aug. 1	July 20
Do., pref.	$7	$1.75	Aug. 1	July 20
Can. Industries, pfd.	$7	$1.75	July 15	June 30
Do., com., "A" & "B"	$2.50	62½c	July 30	June 30
Do., extra	..	50c	July 30	June 30
Can. Wineries,	20c	5c	July 15	June 30
Crescent Creamery pfd.	7%	1¾%	July 15	June 30
Coniaurum Mines	...	3c	Aug. 15	Aug. 1
Cosmos Imperial, pfd.	$3.50	87½c	Aug. 15	July 30
Dominion Textile, pref.	7%	1¾%	July 15	June 30
Dome Mines	$1	25c+20c	July 20	June 30
Eastern Dairies pfd.	7%	1¾%	July 15	June 30
Do., com.	$1	25c	Aug. 1	June 30
Eastern Theatres pfd.	7%	3½%	July 30	June 30
Guar. of N. America	$6	$1.50	July 15	June 30
Do., extra	$10	$2.50	July 15	June 30
Humberstone Shoe	$2	50c	Aug. 1	July 15
Hamilton Bridge pfd.	6½%	1⅝%	Aug. 1	July 15
Howe Sound	40c	10c	July 15	June 30
Inter. Nickel, pref.	7%	1¾%	Aug. 1	July 2
Inter. Hydro-Elec. pfd.	$3.50	87½c	July 15	June 27
Invest. Foundation, pfd.	$3	38c	July 15	June 30
Inter. Utilities, pfd.	$1.75	43¾c	July 15	July 5
Do., pfd.	$3.50	87½c	Aug. 1	July 15
Do., pfd.	$7	$1.75	Aug. 1	July 15
Imperial Bank	12%	3%	Aug. 1	June 30
Lindsay, C. W., pfd.	6½%	1⅝%	Sept. 15	Aug. 15
MacKinnon Steel pref.	7%	1¾%	Aug. 1	July 20
Montreal Dairy "A" com.	$1.75	43¾c	Aug. 1*	July 15
McColl Frontenac pfd.	$6	$1.50	July 15	June 30
Monarch Mtge. & Inv. pfd.	...	10c	July 15	June 30
Montreal Telegraph	$3.20	80c	July 15	June 31
Montreal L. H. & Pr.	$1.50	38c	July 31	June 30
Montreal Tramways	10%	2½%	July 15	July 7
National Biscuit	$2.80	70c	July 15	June 17
Northern Ont. Power	$2	50c	July 25	June 30
Do., pref.,	6%	1½%	July 25	June 30
N. B. Telephone, c.	60c	15c	July 15	June 30
Penmans	$3	75c	Aug. 15	Aug. 5
Do., pref.	6%	1½%	Aug. 1	July 21
Power Corp., pfd.	$6	$1.50	July 15	June 30
Do., 2nd pfd.	$3	75c	July 15	June 30
Russell Motor Car	$1	25c	Aug. 1	July 15
Do., pref.	7%	1¾%	Aug. 1	July 15
St. Lawrence Flour, pref.	7%	1¾%	Aug. 1	July 20
Second Std. Royalties pfd.	12%	1%	Aug. 1	July 15
Siscoe Gold Mines	...	4c	July 30	July 15
Southern Can. Power pfd.	6%	1½%	July 15	June 26
Do., com.	$1	25c	Aug. 15	July 30
Silverwood's Dairies, pfd.	7%	1¾%	July 30	June 30
Steel of Canada	$1.75	43¾c	Aug. 1	July 7
Do., pref.	$1.75	43¾c	Aug. 1	July 7
Toronto Elevators, pfd.	7%	1¾%	July 15	July 2
Teck Hughes	60c	15c	Aug. 1	July 15
Tuckett Tobacco, pref.	7%	1¾%	July 15	June 30
United Securities	$2	50c	July 15	June 30
United Bond & Share c.	80c	20c	July 15	June 30
Western Assurance, pfd.	$2.40	$1.20	July 2	June 30
Western Grocers pfd.	7%	1¾%	July 15	June 20

*Regularly payable July 1; deferred one month.

Dividends Passed or Deferred:

Debenture Co. of Can. c. July 31, passed. Last paid $3 July 31, 1931.

Dominion Tar, pfd. Aug. 1 passed. Last paid 1¾% May 1, 1932.

Power Corp., com. Aug. 20, passed. Last paid 50c. May 20, 1932.

Service Stations, pref. and "A" pref. Aug. 1, passed. Last paid 75c. May 2, 1932.

Foundation Co. com. Aug. 14 passed. Last paid 12½c. May 14, 1932.

Western Assurance, com. July 2 passed. Last payment 40c. Jan. 2, 1932.

Dividend Rate Reduced:

Bordens, c. 50c. Sept. 1. Reduced from $3 to $2 per annum.

Russell Motor, com. 25c. Aug. 1. Reduced from $2 to $1 per annum.

Cosmos Imperial, pref. 87½c. Aug. 15. Reduced from 7% to 3½% per annum.

Industrial Mortgage, com. $2 July 2. Reduced from $4.50 to $4 per annum.

Extra Dividends:

Dome Mines. 20c., July 20.

Can. Industries. com. 50c. July 30.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co. Limited
Canada Permanent Bldg., Toronto, Ontario
July 11, 1932

Provinces:	Rate	Actual Maturity	Next Int. Date	Approx. Price	Approx. Yield %
*Newfoundland	5	31 Dec., 1952	31 Dec.	55.00	10.30
*Newfoundland	5½	1 July, 1939	1 Jan.	65.00	13.35
*Newfoundland	6½	30 June, 1930	30 Dec.	70.00	17.00
*Alberta	4½	1 Oct., 1958	1 Oct.	79.00	6.10
Alberta	5	1 July, 1943	1 Jan.	88.00	6.55
Alberta	6	1 Mar., 1947	1 Sept.	96.00	6.40
*British Columbia	4½	1 Oct., 1953	1 Oct.	82.00	6.00
*British Columbia	5	15 Jan., 1948	15 Jan.	89.80	6.00
British Columbia	6	15 Feb., 1947	15 Aug.	96.75	6.35
Manitoba	4	1 July, 1947	1 Jan.	77.50	6.35
*Manitoba	5	2 Dec., 1959	2 Dec.	86.00	6.05
Manitoba	6	1 Apr., 1947	1 Oct.	95.25	6.50
*New Brunswick	4	1 June, 1948	1 Dec.	84.65	5.50
*New Brunswick	4¾	15 June, 1936	15 Dec.	97.05	5.50
New Brunswick	5½	1 May, 1950	1 Nov.	96.00	5.85
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	89.75	5.45
Nova Scotia	5	1 May, 1943	1 Nov.	93.95	5.80
*Ontario	4½	1 Sep., 1944	1 Sept.	93.50	5.20
Ontario	5	15 Oct., 1948	15 Oct.	94.50	5.50
Ontario	5½	1 Feb., 1947	1 Aug.	98.75	5.65
P. E. I.	4	1 Apr., 1939	1 Oct.	88.70	6.00
P. E. I.	6	1 May, 1947	1 Nov.	100.00	6.00
*Quebec	4½	1 May, 1961	1 Nov.	94.00	4.62
Saskatchewan	4½	1 Oct., 1944	1 Oct.	80.50	6.85
Saskatchewan	5	1 Oct., 1950	1 Oct.	84.00	6.50
Saskatchewan	6	15 Mar., 1952	15 Sept.	94.50	6.50
Cities					
*Montreal	5	1 Sep., 1963	1 Sept.	91.27	5.60
*Toronto	4½	1 Jan., 1955	1 Dec.	85.85	5.60
*Vancouver	5	15 Jan., 1970	15 Jan.	81.95	6.25
Winnipeg	5	1 Mar., 1944	1 Sept.	86.50	6.65
*Edmonton	5½	1 Apr., 1947	1 Oct.	82.00	7.55
Calgary	5	1 Jan., 1943	1 Jan.	82.05	7.50
Halifax	6	1 July, 1951	1 Jan.	100.00	6.00
Saint John	5	15 Dec., 1950	15 Dec.	88.75	6.00
Regina	4½	1 July, 1950	1 Jan.	70.65	7.50
Victoria	5	21 July, 1945	21 July	84.65	6.75
Quebec	5	1 June, 1948	1 Dec.	93.20	5.65

*New York payment.

Winnipeg Stock Exchange

July 8, 1932

	Bid	Ask		Bid	Ask
Beaver Fire	..	115	N. Can. Mtge. pfd.	..	15
Beaver Lumb. pfd.	..	80	North. Trust	..	25
Can. Amer. Tr. shs.	..	2⅛	Un. Gr. Growers	10¾	..
City Dairy (Wpg.) pref. 7%	..	50	Reliance Gr. pf.	..	50
Do., pref. 8%	..	80	West. Breweries	1½	2
Corp. Steel c.	..	5	Fund. Tr. shs. "A"	..	2⅞
Cres.-Cream. pfd.	..	55	Do., "B"	..	2⅝
Home Inv. & Sav.	25	..	Grouped Inc. Shs.	..	2.36

Stocks With Minimum Prices

Ogilvie Milling c.	185	Price Bros.	25
Ottawa L. H. & Pr. c.	100	Do., pref.	70

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers—Toronto
July 12, 1932

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.60	....
Acadia Sugar pfd.	1.80	2.60
Acme Farmers Dairy pfd.	60.50	68.00
Agnew Surpass pf.	50.50	52.50
Allens Lond. pfd.	29.50	....
Do., Toronto pf.	13.00	....
Andian Nat. Corp.	18.50	19.75
B.C. Pulp & Paper com.	....	2.00
B.C. Pulp & Paper 7% pfd.	....	9.00
Can. & Dom. Sugar com.	15.50	16.50
Can. Machinery c.	2.50	5.00
Do., 7% pfd.	21.00	26.00
Can. Packers c.	7.00	8.00
Do., 7% pfd.	47.00	51.00
Can. Starch pfd.	64.00	67.00
Can. Tea pfd.	....	54.00
Can. Wire & Cable pfd. W.W.	69.75	71.50
Can. Celanese pf.	36.00	44.00
Can. Industries c. "A"	43.00	46.00
Do., c. "B"	43.00	44.00
Do., 7% pfd.	97.25	98.00
Can. Westing.	33.00	34.50
Chase, A. W. Units	26.00	29.50
Claude Neon Gen. Adv. com.	2.00	3.00
Claude Neon Gen. Adv. Units	22.00	26.00
Crescent Creameries pfd.	54.00	61.00
Dodge Mfg. "B" com.	1.00	....
Dodge Mfg. "A" pfd.	5.50	....
Dom. Foundries & Steel com.	5.25	6.75
Dom. Foundries & Steel pfd.	65.00	....
Dom. Mfrs. pfd.	64.00	69.00
Dom. Tar pfd.	....	30.00
Dunlop Tire 7% pfd.	37.50	38.75
Eastern Car 6% pfd.	36.50	....
Eastern Dairies Ltd. pfd.	61.00	67.00
Federal Grain pf.	20.00	22.00
Goderich Elevator & Transit	11.25	12.25
Greening Wire 7% pfd.	66.00	75.00
Guard. Realty pf.	....	29.00
Guelph Carpet c.	3.00	5.00
Do., pfd.	68.00	74.00
Inter City Bak. c.	40.00	42.50
Inter. Proprietaries "A"	19.50	20.50
Langleys pfd.	....	45.00
Loew's London c.	.50	1.00
Loew's London pf.	2.25	3.00
Massey Harris pf.	8.50	9.25
Morrow Screw Nut 7% pfd.	91.00	98.00
Mt. Royal Hotel c.	.45	.90
Do., 6% pfd.	4.75	7.75
Nat. Grocers c.	1.00	1.50
Do., 2nd pfd.	....	26.00
Price Bros. c.	4.00	...
Prov. Paper pfd.	25.50	31.50
Reliance Grain pf.	46.50	50.50
Rolland Paper pfd. W.W.	20.00	27.50
Standard Clay Products c.	18.00	23.00
Standard Fuel pfd. bonus	50.00	52.00
Supertest Petroleum "B" pfd.	16.50	20.00
Toronto Brick pf.	....	35.00
Toronto Carpet c.	....	94.00
Do., 8% pfd.	74.00	90.00
Toronto Elevators 7% pfd.	65.50	70.00
Toronto Hous. c.	21.00	30.00
Un. Amuse. "A"	15.00	19.00
Western Grain pfd. bonus c.	10.00	14.00
Willards Choc. pf.	....	23.00
Insurance Stocks:	**Bid**	**Asked**
Canada Life Ass.	....	400.00
Canada Nat. Fire	13.00	15.00
Candn. Fire Ins.	68.00	74.00
Capital Life 20% pd.	10.50	16.00
Confederation Life 20% pd.	131.00	145.00
Continental Life 20% pd.	49.00	54.00
Crown Life Ins.	95.00	....
Dominion Fire	84.00	95.00
Dominion Life 50% pd.	265.00	300.00
Dom. of Can. Gen. Ins.	....	144.00
Empire Life 15% pd.	6.00	....
Excelsior Life 30% pd.	75.00	80.00
Fidelity Ins. of Canada	....	71.00
Gt. West Life	200.00	215.00
Guarantee Co. of N. A.	210.00	270.00
Halifax Fire	6.00	7.75
Imperial Life	268.00	300.00
Manufac. Life	....	244.00
Monarch Life 10% pd.	18.00	21.00
National Life 25% pd.	....	35.00
Saskatchewan Life 10% pd.	....	15.50
Sovereign Life 25% pd.	15.00	19.00
Sun Life Assur.	150.00	167.00
Western Assur. c.	15.00	18.00
Western Life 20% pd.	7.75	12.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	140.00	165.00
Can. Gen. Investments Ltd.	2.00	2.50
Chartered Trust	64.00	72.00
Debent. & Sec. c.	....	26.00
Do., pfd.	....	89.00
Eastern Can. Sav. & Loan	104.00	119.00
Eastern Trust	125.00	149.00
Guelph & Ont. Inv. par $50	46.00	51.00
Investment Foundation Units	15.00	20.00
Lambton Loan & Savings	56.00	64.00
London & Western Trust	84.00	90.00
Midland Loan & Savings	16.50	....
Mtg. Disc. pfd.	2.00	3.00
Mutual Fin. pfd.	....	3.00
Do., com.	....	3.00
Northern Trust	....	24.00
Premier Trust	80.00	86.00
Security Loan & Savings	95.00	105.00
Sherbrooke Trust	....	110.00
Sterling Trust	59.00	66.00
Traders Fin. c.	....	1.00
Do., pfd.	10.00	20.00
Trusts & Guar.	41.00	46.00
Victoria Trust & Savings	171.00	....
Waterloo Trust & Savings	101.00	110.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	81.00	82.00
Calgary Pwr. pfd.	52.50	54.00
Can. Light & Pwr. com.	14.00	18.00
Can. West. Nat. Gas LH&P c.	18.00	23.50
Can. West. Nat. Gas LH&P pfd.	54.50	58.00
Great Lakes Pwr. pfd.	....	66.00
N.B. Pwr. 1st pfd.	....	51.00
N.B. Telephone c.	5.00	7.50
N.S. L&P pfd.	51.00	60.00
Ottawa LH&P pf.	80.00	....

Recent London Quotations:

Brewer Distillers	2s. 3d.
Can. & For. Sec.	3s. 9d.
Can. West. Lumber	9d.
Hudson's Bay	13s. 9d.
Do., 5%	50s.
Internat. Holdings	4¼
Nld. Pr. & Pap. deb. stock "B"	80
Trust & Loan of Can.	1s. 9d.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
July 12, 1932

Industrial Bonds:	Bid	Asked
Abitibi P. & P. 5% 1953	21.50	25.50
Acadia Sugar 6% 1946	69.50	72.50
Alta. Pac. Grain 6% 1946	61.00	67.00
American Sales Book 6% 1939	101.00	105.00
B. A. Oil 5% 1945	82.00	86.00
Brandram-Henderson 6% 1939	....	55.00
Canada Biscuit 6½% 1946	18.25	22.25
Canada Bread 6% 1941	82.00	85.50
Canada Cement 5½% 1947	64.50	68.00
Can. Machinery 6% 1941	50.00	....
Can. Steamship 6% 1941	16.00	18.00
Can. Consolidated Rubber 6/46	44.00	50.00
Can. Copper Refin. 6% 1945	86.00	89.50
Can. Vickers 6% 1947	59.00	62.00
Cosmos Imp. Mills 6½% 1944	83.00	88.00
Davies, Wm., 6% 1942	71.50	74.50
Dom. Manufacturers 6% 1933	95.00	....
Dom. Tar & Chemical 6% 1949	51.00	56.00
Famous Players 6% 1948	50.00	56.00
Firestone Tire 7% 1937	108.00	....
Goodyear Cotton 6% 1949	88.00	93.00
Great Lakes Paper 6% 1950	11.00	18.00
Howard Smith 5½% 1953	44.00	47.00
Inter City Baking 5½% 1948	59.00	64.00
Inter City West. Baking 6½/50	....	43.00
Loew's Toronto 6% (Serial)	94.00	99.00
Massey Harris 5% 1947	57.00	59.00
McColl Frontenac 6% 1949	72.00	75.00
McKinnon Industries 6½% 1945	90.00	95.00
Nor. Mexico Power 7% 1933	78.00	....
Montreal Coke & Mfg. 5½% 1947	85.00	90.00
Nor. Ont. Bldg. 6½% 1939	58.00	65.00
Ont. Steel Products 6% 1943	88.00	91.00
Penmans Ltd. 5½% 1951	80.00	85.00
Richmond Bay 6½% 1947	56.00	61.00
Rolland Paper 5½% 1948	52.00	57.00
Rowntree Co. Ltd. 6% 1937	93.00	98.00
Simpsons Ltd. 5½% 1949	50.00	56.00
Simpsons Ltd., 6% 1949	57.00	61.00
Steel of Canada 6% 1940	100.00	103.00
Sterling Coal 6% 1940	28.00	35.00
United Gas & Fuel 5½% 1948	....	48.00
United Grain Growers 5/48	67.00	70.00
United Grain Growers 5½/49	72.00	....
Western Grain 6% 1949	57.50	60.50
Public Utility Bonds:		
Bell Telephone 5% 1955	96.00	100.00
B. C. Power 5½% 1960	71.50	75.50
B. C. Telephone 5% 1960	79.00	83.00
Can. Northern Pwr. 5% 1953	63.50	66.50
Cedar Rapids 5% 1953	93.00	99.00
Elect. Develop. 5% 1933	108.00	....
Gatineau Pwr. 5% 1956	67.00	71.50
Gatineau Pwr. 6% 1941 Apr. 1	50.00	56.00
Inter. Power 6½% 1957	82.50	86.50
Maclaren Quebec 5½% 1961	57.00	60.00
Montreal Isl. Pwr. 5½% 1957	77.00	81.50
Montreal LH&P 5% 1951	97.00	100.50
Montreal LH&P 5% 1970	95.00	100.00
Montreal Tram. 5% 1941 July	88.00	91.00
Northwest. Utilities 7/38	72.50	77.00
Ottawa Valley Pwr. 5½% 1970	78.00	82.00
Rio Tramways 5% 1935	81.00	85.00
Shawinigan W&P 5% 1970	74.00	77.50
Southern Can. Pwr. 5% 1955	78.00	83.00
West Kootenay Pwr. 5% 1956	67.00	72.00
Government Provincial & Railway:		
C. N. R. 4½% 1951 Dom. Gtd.	90.00	91.50
C. N. R. 4½% 1957 Dom. Gtd.	89.50	91.00
C. N. R. 5% 1969 Dom. Gtd.	96.50	98.00
C. P. R. 5% 1954	78.75	82.50
Dom. of Can. 5% 1936	98.00	99.25
Dom. of Can. 5% 1941	97.00	98.25
G. T. P. 3% 1962 Dom. Gtd.	67.50	69.50
Ont. Hydro 5% 1939 Ont. Gtd.	93.00	96.00
Prov. of N. B. 5½% 1952	94.25	96.00
Prov. of Ontario 5½% 1947	97.75	99.25

Winnipeg Grain Prices

Week to July 12

Crop Year from Aug. 14 High	Low		Open July 5	High for week	Low for week	Close July 12
		Wheat				
.77⅞	.52½	July	.53¾	.54⅜	.52½	.52⅝
.72¾	.55¼	Oct.	.56	.57⅛	.55½	.55⅝
.66⅞	.56⅛	Dec.	.57½	.38¾	.56¾	.56⅞
		Oats				
.37½	.30½	July	.33½	.34	.33¼	.33⅜
.35¼	28.	Oct.	.28¾	.29½	.28¼	.28⅜
.27⅞	.26¼	Dec.	.26¾	.27½	.26⅞	....
		Barley				
.45½	.35½	July	.35¼	.37¼	.35½	.36¼
.43¼	.31¾	Oct.	.32½	.33½	.31¾	.31¾
.35¼	.31⅛	Dec.	.33⅛	.33½	.31⅞	.31⅞
		Flax				
1.16¼	.63	July	.65½	.67¾	.63	.63
1.09¼	.66¼	Oct.	.69½	.71½	.66¼	.66¼
.78½	.69¾	Dec.	.71⅜	.74	.69¾	.68¾
		Rye				
.59	.31½	July	.31½	.33½	.31¾	.31¾
.55⅝	.33¼	Oct.	.33½	.34¾	.33¼	.33⅞
.37⅞	.34½	Dec.	.34½	.36¼	.34⅜	.34⅞

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo
Week to July 12

High *to date	Low		Close July 5	High for week	Low for week	Close July 12
		Wheat				
.66¼	.47⅜	July	.48	.49	.47⅜	.47⅜
.66¼	.50⅜	Oct.	.51	.52	.50⅜	.50⅜

*Since trading opened March 3, 1931.

Elimination Should Go Hand in Hand in Future With New Construction

Great Improvements in House Building With Lower Cost

LAYS GOOD BASIS

Unsanitary, Obsolete, Dark, Rickety and Ugly Structures Must Make Way for Better Ones

By W. J. JEFFERS

If The Financial Post is correct in assuming in recent articles that success in house building by builders, subdividers, architects and contractors in the new building era now preparing will be achieved most completely by applying modern industrial methods with the object of offering the best values at the lowest prices to all classes of buyers, then the way must be cleared by progressive demolition of unsightly, unsanitary, ramshackle, obsolete, ill-ventilated, poorly heated, inflammable and dimly lighted dwellings wherever they may be. Every city is cluttered with slum-like districts which deface streets, debase values and perpetuate crime and disease. London and other large European cities have tackled the question of slum clearance with energy and it has been shown that it is possible to give adequate housing at rentals no higher than has often been paid for the dens and hovels they replace.

Better Houses Provided

In the last ten years there has been a wonderful improvement in the appearance, convenience and comfort of houses built for people with incomes exceeding $4,000 annually. It is a rough guess but probably approximately near the truth to say that under present conditions prices have come down so far that houses of exceptional attractiveness can be made available for people with incomes exceeding $3,000 and that even most workingmen's dwellings built in Canadian cities permit of the residents availing themselves of all modern conveniences they are able to pay for.

In former articles the differing histories of the automobile and house building industries were stressed, the automobile industry having produced over 20 years ever improving cars at continuously decreasing prices while wages climbed and materials rose in price; the house building prices in the same period climbed along with wages and materials and the buyer's dollar got in 1928 and 1929 much less value than in 1911. In the last two years prices have dropped but there are forces gathering which promise an intensive attack on housing problems in the next decade.

Interest is Wide-spread

From all parts of the Dominion and from many individuals both in and outside the building industry have come letters which show that the question of housing has been getting close and intelligent attention in Canada. In the United States the matter has become an even more absorbing topic in real estate, building and steel construction circles. The construction industry is operating there at 25 per cent of capacity as a result of a steady recession in construction of new housing facilities for six years. Cities have been growing, depreciation has been wiping out yearly two per cent of the existing buildings. The National Association of Real Estate Boards estimates that families have been doubling up to the extent that it accounts for 10 per cent of the available dwellings.

Realtors are Busy

At the convention of the National Association of Real Estate boards, including boards all over Canada and the United States, one of the principal speakers, Frank Lloyd Wright of Spring Green, Wisconsin, who has devised nine different methods to simplify the building process, concentrates on what the architect, the builder and the realtor can do to provide a modern, comfortable and decent home to the family whose income is $2,000 a year. Edward A. MacDougall of New York, chairman of the association's housing committee, plans for local housing conferences under the leadership of local real estate boards to ascertain actual present housing needs.

Catering for Low Incomes

One recent article in The Financial Post dealt with recent experiments in steel construction of houses. There has been very quick progress made in the last few months in this respect. The Small House Forum called in New York City by the American Institute of Steel Construction at the end of May was attended by 300 builders, architects, engineers, publicists and students. The object was to develop the most improved methods and materials for the house consisting of not more than 12,000 cubic feet of space above ground, or not more than six rooms. It was felt that the housing problem was to get a properly constructed home within the reach of the low-income pocketbook. T. J. Foster, treasurer, said that a "satisfactory six-room house must be built of non-combustible materials, must be shrunk and vermin proof, have good insulation, a low maintenance cost and be cheaper to build than the present six-room frame dwelling."

U. S. Steel Interested

Harvey Wiley Corbett, architect, New York, felt that new houses should be built to meet the needs of this "mobile" age, that they could very easily be factoried and assembled on the site, thus saving much of the expense of field labor. He said that "today a house is covered space, mechanically equipped to provide the greatest comforts and conveniences for definite social functions." The largest steel company in the world, United States Steel Corp. is so interested in the problem that it has a committee of executives to study the market for steel in house construction. J. C. Steel, Carnegie Steel Co., Pittsburgh, says the steel industry recognizes a potential market for about 3,600,000 tons of steel in house construction. The U. S. Steel committee has already investigated some 57 different types of houses in which steel is used.

Some argued that the new house should have neither cellar nor attic and others that it should be made of wall units which can be taken down at will, that it must be insulated against heat, cold, sound and vibration, should have temperature control and be air-conditioned. One New York builder claims that he has been able to include all these essentials in houses which sell, including land, for $3,950. There was great difference of opinion as to what type of steel house would achieve most popularity. Executives of prominent steel companies described different methods: one prophesying that shortly small houses would be built of sheet metal walls without further structural support; another telling how his company rolled junior beams and light shapes for use in small houses; another relating the success he had attained with fabricated sections, especially with the Battledeck floor consisting of steel plates welded to steel beams; another using a light gypsum slab supported on a steel frame; another talking of the frameless house of enamelled steel walls.

Enamelling a House

D. F. Titus of Cleveland told how he had built a frame for a house at a cost equal to wood framing by using field welding; another Cleveland man told how he utilized mill lengths for structural members by welding in the field. At the 1933 World's Fair in Chicago one of the features will be a small family house finished in bright shimmering porcelain enamel, fused on sheet metal. It will never require painting and a bath with a garden hose will remove any grime that collects on its surface. The house will be fire-proof, vermin proof and insulated against heat and cold.

Fighting for Popularity

In Canada architects and builders who have talked with The Financial Post seem in most cases to believe that the types of houses now being built here best express in comfort, utility and beauty Canadian ideals, that wood is to be preferred to steel for the small house and that except for subdivisions cost of steel construction may prove too great to compete. The Financial Post has no brief for any type of construction: it only points out that the claims of steel are being urged with a fervor and practical intention which shows it must be reckoned with as a competitive building material in future both as substitute and in combination with other materials needed to get insulation, freedom from vibration and protection from heat and cold. With so many minds looking for a new type of house something is bound to happen in spite of the innate conservation of people as to the houses they live in and the clothes they wear. Twenty years ago nobody would have worn the clothes of today. What about Canada's houses 20 years from today! Out of the wealth of suggestions it may be that a comparatively few will eventually gain popularity just as the field has narrowed down in 20 years in the automobile field.

The writer has received a pertinent letter from J. Clark Reilly, manager of Canadian Construction Association, Ottawa, in answer to some questions addressed to him. Mr. Reilly stated that his personal views, as expressed, were not necessarily those of his association which represents contractors all over Canada, but nevertheless they are reproduced here in part because the writer feels that Mr. Clark has had intimate acquaintance with all types of construction problems in all parts of Canada, that he has a wide and deep grasp of the main problems involved and is anxious to see better housing in Canada altogether apart from any benefit that might come to the construction industry. His letter particularly replied to a former article stressing the present challenge to the building industry to cut costs. He says in part:

Challenge Has Been Met

"So far as the general question of the cost of building at the present time is concerned, I think that the challenge to cut costs has been met. Recently when talking to a number of manufacturers one of them said, How can you ask us to build when your bricklayers are being paid $1 or $1.25 per hour and the plumbers 90c or $1 per hour?

"My answer to him was that he should not bother his mind particularly as to the hourly rate being paid to any of the trades, but if he had some work which he wished to have done to get plans and specifications prepared by an architect and then have figures submitted by contractors. The test would be whether the cost that would be given to him would be materially less than five or six years ago and in all likelihood materially less than what he will get five or ten years from now. In other words, let him use the same method in regard to a building that he would if he were buying a machine, or a piece of furniture, considering the building as a completed unit for a certain definite price. All this worry about hourly rates of wages fails to take into consideration the actual relation of the number of hours worked at that particular trade to the cost of the entire building.

Should Study New Materials

"Coming now to the question of house building, I too am not confined in my thoughts to any particular group of materials and I think the point that you have raised is an excellent one that in some way the advances which have been made in the use of new materials and the reduction in costs should be recognized by the public and applied to the building of houses. It ought to come quite easily under the work of the National Research Council to investigate the comparative merits of a number of these materials and pass upon their suitability for use in the construction of houses for our people in Canada.

"Let me repeat, however, that when you come to the question of house building you are in a peculiar field, one that is quite different from commercial buildings, factories and monumental structures. There are at least three divisions: first, there is the house, running in value from $10,000 to $15,000 and up, which is built by some one who has made a little money and who wishes to have a better house than the one previously occupied. Often an architect is commissioned to design the house and it is built for the personal use of the owner. With this group the type of materials used will depend upon the purse of the owner and the influence of the architect.

Meet the Conservative Buyer

"The second group, and the one in which most of us find ourselves, is that of the house built for sale by the man we call the speculative builder. The object of such a builder is to get the house up as quickly as possible, make as good a showing as possible, sell it for as much as possible and get his money as soon as possible. Many of these builders are tradesmen and by that I mean men who have worked at their own trades such as carpentering and bricklaying and have then formed a partnership. They naturally use the materials with which they are most familiar and follow the customs of their own trades. They have to be sold on the value of new materials on a price basis consistent with the possible approval of the intending purchaser. One has to remember also in connection with this particular class of house building that the average type of purchaser is quite conservative in regard to the choice of materials and the design. It takes considerable courage for a woman to buy a house that is radically different in design and material from those occupied by her friends in her particular set.

Weed Out Bad Buildings

"Then there is the third type of house building, i.e., that which you have particularly in mind, the substitution of better houses for those which are obsolescent and worn out. Many of our people are living in houses which are far from being sanitary and which are a desperate fire risk. When you try to do something with this problem you are up against something beside which the task of Hercules in cleaning the Augean stables was a summer pastime. I do not need to discuss the movements of population in our cities, the effect of diminishing returns on the landlord, the lack of town planning and a dozen other factors that come into the picture. Private enterprise does not seem to find this a field for financial return; public and private charity has with some exception not reached this stage; public welfare has not as yet become sufficiently heard to secure adequate grants of public money.

"I need not point out to you that in some parts of the continent of Europe this question has been tackled and I understand successfully. Even here there have been many suggestions made as to ways in which the situation might be met.

(Ed. note: Some of these suggestions will be treated in a later article).

Steel Frames Cost High

"Briefly then your problem in endeavoring to revolutionize the practices in the house building industry is a many sided one, involving the problems of financing, salesmanship, established custom and requirements of different sections of the community. The substitution of new materials has of course a very direct reference to cost of production. For instance, a steel frame for a house in Canada will today cost out of all proportion to what it should because of the fact that the steel companies have not as yet come to the manufacture of the light sizes required for this type of work so that they can successfully compete with a wood frame. At the same time we know there is a need for a better type of housing for a good many of our citizens and a great many men in our industry are idle and need work. Even in Ottawa there are skilled tradesmen who have not worked for months and have no prospects in view at the present time."

Cosmos Imperial Reduces Dividend

Cosmos Imperial Mills Ltd. directors are currently advising holders of preferred shares that the quarterly dividend payable on August 15, 1932, will be 87½ cents per share instead of the customary distribution of $1.75 quarterly.

Shareholders are reminded in the letter sent them that the dividend is cumulative and that any arrears will have to be paid before any distribution can be made on the common shares.

The letter states that decision to put this decrease into effect was made with reluctance. The reduced rate of current manufacturing operations and "the wisdom of maintaining the present strong liquid position of the company, in order that advantage may be taken of any improvement in conditions," influenced the directors in making this decision.

FOREIGN TRADE OF WORLD NATIONS HALF 1929 TOTAL

League of Nations Report Declares Tariffs Are Main Cause

"World trade today is being submitted to a progressive strangulation," states the thirty-eighth report of the Economic Committee of the League of Nations. "Creditor states have resisted the efforts of their debtors to secure the required surplus of goods by raising their tariffs," the report points out, "and debtor states have then applied more rigorous methods of control and have met with still greater obstructions."

"The value of international trade today," the report continues, "is only one-half or perhaps less than one-half what it was in the first quarter of 1929. During the same period the number of wholly unemployed persons has more than doubled. According to figures of the International Labor Office from 20-25 million persons are now without work and the situation is growing worse from day to day."

Move to Decrease Tariffs

Since 1927, the Economic Committee has urged that some agreement be entered into in order to stop the increases in tariffs and other restrictions on foreign trade so that a move in the opposite direction could be made. Further on this subject the committee stated in October, 1931: "There is little doubt that the present crisis would not have been as acute as it is if governments could have pursued a policy in conformity with the doctrine preached by the Committee on the necessity of securing the utmost possible freedom of trade."

The extent of the damage done to international trade between January, 1930, and the same month of 1932 is vividly shown in the following table, compiled from figures appearing in the Committee's report, showing the decrease in value of exports and imports of the chief trading nations of the world.

Percentage Decreases in Trade
January, 1930 to January, 1932

	Imports %	Exports %
Germany	66	49
Austria	37	54
Belgium	50	40
Spain	62	70
France	51	51
United Kingdom	39	47
Hungary	59	70
Italy	52	46
Poland	68	58
Roumania	61	42
Sweden	26	34
Switzerland	21	50
Czechoslovakia	48	61
Jugoslavia	59	65
Argentine	54	31
Brazil	44	21
Canada	60	49
United States	50	63
Japan	37	53
U. of South Africa	47	48

In concluding the June report the Economic Committee of the League of Nations states:

"Even more definitely than in January the Economic Committee has the impression that the individual actions of states—necessarily limited to defence and inevitably counteracted by other States — superimposed one on the other only aggravate the situation.

"These measures are comprehensible, perhaps even inevitable, from the national point of view, but taken as a whole they are disastrous.

"No one is still under the illusion that it is possible for a country to improve its economic situation simply by means of the unilateral measures which it considers indispensable. The figures are there to show that even the defence of the balance of payments, which is the legitimate concern of each country, is only achieved in a small measure and at the cost of economic depression and a lowering of the standards of living.

"Imports can certainly be reduced by means of increased duties, surtaxes, prohibitions, quotas, restrictions on foreign exchange—even so there is a limit which must not be exceeded—but this reduction is inevitably accompanied by a contraction of exports.

"If, as has often been argued, goods which can no longer be exported were sold on the home market in place of those excluded we should not be confronted with the progressive fall in purchasing power and the constant increase in unemployment."

Crown Williamette Earnings Show Gain

From Our Own Correspondent

MONTREAL. — Report of Crown Williamette Paper Co. and subsidiaries, including Pacific Coast Mills, for the year ended April 30, 1932, shows a consolidated net profit (including $182,648 profit on companies' own bonds purchased for redemption,) of $2,233,926 after depreciation, depletion, interest, federal taxes and minority interest.

Profits were equal to $9.27 a share on combined 200,000 no par $7 first preferred and 41,000 no par shares of $6 second preferred stock. This compares with $1,893,681 or $7.85 a share on combined stock in preceding year. All the common stock is owned by Crown Zellerbach Corp.

Mining Stock Quotations

Week Ending July 16.

Par Val	Range 1932 High	Range 1932 Low	Company	Sales	Close July 4 (or last)	High for week	Low for week	Close July 11
1	.05½	.03	Abana	.....	.03	.....	.....	.....
1	.02	.00½	Aconda	.....	.00½	.....	.....	.....
No	.15	.15	Aldermac	.....	.15	.....	.....	.....
1	.09	.00¾	Alexandria	19,500	.02	.02½	.01½	.01½
1	.01½	.00½	Algonquin	1,000	.00½	.00½	.00½	.00½
1	.01½	.00½	Amity C.	.....	.00½	.....	.....	.....
No	.22	.06	Amulet	2,300	.08½	.10	.09	.10
1	.00½	.00½	Apex	.....	.00½	.....	.....	.....
1	.02½	.01	Area	7,000	.01½	.01½	.01½	.01½
No	.03	.00½	Arno	138,000	.01½	.02½	.01½	.02½
1	.02½	.02	Astoria Rouyn	.....	.02½	.....	.....	.....
1	.07	.03	Bagamac	.....	.03½	.....	.....	.....
1	.00¾	.00½	Baldwin	.....	.00½	.....	.....	.....
1	.12	.03½	Barry Hollinger	9,600	.04½	.07	.04½	.05½
No	1.00	.30	Base Metals	100	.30	.50	.50	.50
No	.12	.01	Bidgood	35,100	.02½	.03	.02	.03
1	.16½	.04	Big Missouri	3,000	.06½	.07	.06½	.06½
1	.05½	.02	Bobjo	11,100	.04	.04½	.03½	.04
1	.08	.02½	Brett Trethewey	.....	.07	.....	.....	.....
No	.03	.00½	Brownlee	7,800	.01½	.01½	.01½	.01½
1	.00½	.00½	Buckingham	2,000	.00½	.00½	.00½	.00½
No	.36	.02	Buffalo Can.	.....	.02	.....	.....	.....
No	.02½	.01	Bunker Hill	9,500	.01½	.02½	.01½	.02½
5s	.50	.10	B'Wana McKubwa	.....	.10	.....	.....	.....
No	.01	.00½	Cal. Flin Flon	.....	.01	.....	.....	.....
No	.03	.02	Canam Metals	.....	.02	.....	.....	.....
1	.04	.01½	Can. Kirkland	.....	.02½	.....	.....	.....
1	.09	.00½	Canusa	4,000	.02½	.02½	.02	.02
No	.02½	.00½	Capital Rouyn	2,000	.00½	.00½	.00½	.00½
1	.07	.02½	Cartier Malartic	500	.03½	.02½	.02½	.02½
1	.15	.09	Castle Trethewey	1,700	.11	.11	.11	.11
1	.08	.04	Cen. Manitoba	3,500	.04	.05	.05	.05
1	.07½	.02	Cen. Patricia	500	.04	.05	.05	.05
No	.07½	.01½	Chibougamau Pros.	1,000	.02½	.02½	.02½	.02½
No	.02	.00½	Clericy	52,500	.01½	.01½	.01½	.01½
5	3.00	.45	Coast Copper	200	.60	.75	.61	.75
1	.02	.00½	Cobalt Contact	2,000	.01½	.01	.01	.01
No	.16	.15	Cobuc	.....	.15½	.....	.....	.....
1	.08	.03	Columario	1,000	.03	.03½	.03½	.03½
5	.80	.69	Coniagas	.....	.69	.....	.....	.....
No	.40	.28	Coniaurum	3,774	.28	.39	.30	.38
25	75.00	25.00	Cons. Smelters	3,555	38.00	52.87	35.00	52.87
No	12.50	9.00	Dome Mines	7,285	10.50	11.40	10.50	11.25
No	.10	.02	Dom. Explorers	18,600	.04	.04½	.03½	.04
1	.01	.00½	Don Rouyn	.....	.00½	.....	.....	.....
1	1.55	.76	Eldorado	25,255	1.24	1.30	1.16	1.24
No	1.05	.47	Falconbridge	400	.75	.75	.75	.75
1	.04	.00½	Federal	7,500	.00½	.01¾	.01½	.01¾
No	.00½	.00½	Flintoba	.....	.00½	.....	.....	.....
No	.07	.00½	Gem. Lake	3,000	.01	.01½	.01½	.01½
1	.02½	.00½	Goldale	.....	.01½	.....	.....	.....
10	.11	.05½	Goldfield	500	.07	.05½	.05½	.05½
1	.00½	.00½	Gold Hill	.....	.00½	.....	.....	.....
1	.04	.03	Goodfish	.....	.03	.....	.....	.....
1	.01	.00½	Graham	.....	.01	.....	.....	.....
1	1.25	.50	Granada	4,100	.80	.90	.74½	.85
1	.22	.09	Groselle	3,000	.09	.10	.10	.10
1	.02½	.01	Harker	1,000	.01½	.01½	.01½	.01½
1	.01½	.00½	Hilltop	19,500	.00½	.00⅝	.00⅝	.00½
5	5.70	4.24	Hollinger	8,842	4.95	5.35	4.80	5.10
1	.48	.26	Howey Gold	22,881	.40	.48	.40	.48
No	2.78	.92	Hudson Bay	910	1.72	1.75	1.70	1.75
No	.20	.15	Huronian	.....	.15	.....	.....	.....
No	11.00	4.00	Int. Nickel	20,289	5.50	6.00	4.75	5.62
1	.01¾	.00½	Jackson Manion	20,500	.00½	.01	.00½	.01
1	.23	.20	Keeley	50	.20	.20	.20	.20
1	.02½	.00½	Keora Mines	.....	.00½	.....	.....	.....
1	.70	.40	Kirk. Hud. Bay	1,900	.50	.50	.50	.50
1	.02½	.00½	Kirk. Hunton	2,000	.00½	.00½	.00½	.00½
1	.55	.19	Kirkland Lake	16,100	.30	.35	.30	.34½
1	.03½	.00½	Kirkland Premier	1,500	.01	.01½	.01½	.01½
1	.13	.05	Kirk. Townsite	7,500	.06½	.05	.05	.05
20c	.01½	.00½	Koot. Florence	.....	.00½	.....	.....	.....
1	.01½	.00½	La Rose	.....	.01½	.....	.....	.....
1	.41	.14	Lakeland	.....	.15	.....	.....	.....
1	29.50	24.90	Lake Shore	5,415	28.00	29.00	27.95	28.75
1	.00½	.00½	Laval	.....	.00½	.....	.....	.....
1	.07	.01½	Lebel Oro	500	.02½	.02½	.02½	.02½
1	.41	.13	Macassa	23,620	.21½	.23½	.20	.22
1	.07	.02½	Malartic	9,000	.05	.05½	.03½	.04
1	.01½	.00½	Malrobic	28,500	.01	.01½	.00½	.00½
No	.06	.01	Mandy	800	.02½	.04	.04	.04
No	.01½	.00½	Manitoba Basin	.....	.00½	.....	.....	.....
5	19.50	14.70	McIntyre	2,331	17.50	17.75	17.25	17.65
1	.35	.25	McKinley	.....	.30	.....	.....	.....
No	.09½	.02½	McLeod River	33,700	.02½	.03	.02½	.03
No	1.43	.58	Mining Corp.	2,600	1.10	1.10	1.06	1.10
1	.08½	.01½	Moffatt Hall	34,600	.01½	.02½	.01½	.02
1	.02½	.02½	Moneta	.....	.02½	.....	.....	.....
1	.45	.19½	Moss	28,750	.28	.33	.30	.32
1	.02½	.00½	Murphy	8,500	.00½	.01	.01	.01
No	.03	.01	Newbec	.....	.01	.....	.....	.....
5	1.15	.50	Nipissing	900	.65	.70	.64	.68
No	19.80	12.50	Noranda	14,331	14.25	15.75	13.70	15.75
No	.24	.10	Nor. Canada	5,500	.11	.13	.11	.12
No	.01	.00½	Old Colony	.....	.00½	.....	.....	.....
1	.08	.05	Osisko	600	.05	.08	.08	.08
1	.10	.07	Parkhill	.....	.07½	.....	.....	.....
1	.13½	.11	Patricia Dent	.....	.13	.....	.....	.....
1	.02	.01	Pawnee Kirk.	.....	.01	.....	.....	.....
No	1.15	.35	Pend Oreille	.....	.45	.....	.....	.....
1	.01	.00½	Peterson Cobalt	1,000	.00½	.01	.01	.01
1	4.10	3.00	Pioneer Gold B.C.	1,600	3.35	3.70	3.50	3.50
1	.00½	.00½	Porcupine Crown	.....	.00½	.....	.....	.....
1	.02	.00½	Potter Doal	.....	.00½	.....	.....	.....
	.12	.12	Powell Rouyn	1,000	.....	.12	.12	.12
1	.62	.32	Premier Gold	3,410	.43	.46	.43	.46
1	.00¾	.00½	Preston E. Dome	.....	.00½	.....	.....	.....
No	.30	.15	Prospectors Air's	.....	.21	.....	.....	.....
No	1.00	1.00	Quebec Pros.	.....	1.00	.....	.....	.....
No	.06	.03	Quemont	.....	.04	.....	.....	.....
1	.02½	.00½	Ribago	7,500	.00½	.00¾	.00½	.00½
1	.02½	.01	Ritchie	10,500	.01½	.01½	.01½	.01½
1	.01½	.00½	Robb Montbray	.....	.00½	.....	.....	.....
1	.42	.25	San Antonio	4,850	.40	.41½	.39	.40
1	.09	.07½	Seven Troughs	.....	.07½	.....	.....	.....
1	.65	.18	Sherritt Gordon	10,272	.25	.37	.26	.37
1	.75½	.50	Siscoe	77,275	.73	.75½	.70	.71½
1	.03	.00½	South Keora	3,000	.00½	.01	.01	.01
No	.02½	.00½	Stadacona	18,500	.01	.01½	.00¾	.01½
1	.17	.05	St. Anthony	2,300	.06	.06	.05	.05
No	.45	.16	Sudbury Basin	700	.25	.25	.25	.25
1	.01½	.00½	Sudbury Contact	.....	.00½	.....	.....	.....
1	.01	.00½	Sudbury Mines	.....	.00½	.....	.....	.....
1	.12	.07	Sullivan	7,000	.10	.11	.09	.09
1	.65	.39	Sylvanite	21,050	.55	.57	.52½	.57
1	.07	.01	Tashota	112,200	.02½	.03½	.02	.03
1	5.25	3.10	Teck Hughes	24,180	4.01	4.42	3.99	4.35
1	.03½	.02	Thom Cadillac	.....	.03	.....	.....	.....
1	.40	.10	Towagmac	2,000	.20	.20	.20	.20
1	3.00	1.01	Treadwell	100	1.25	1.25	1.25	1.25
1	.09½	.02	United Kirkland	.....	.05	.....	.....	.....
1	.01½	.00½	Vacuum Gas	.....	.00½	.....	.....	.....
No	.53	.16	Ventures	21,300	.30	.38	.31	.36½
1	.17½	.04	Vickers	.....	.06	.....	.....	.....
1	.45	.20	Vipond	1,200	.26	.26½	.24	.26½
No	1.00	.25	Waite Ackerman	.....	.30	.....	.....	.....
1	.07	.01	White Lake	1,500	.01½	.01½	.01½	.01
1	.01	.01	Wiltsey Coughlan	.....	.01	.....	.....	.....
	.10	.04½	Wood Kirkland	500	.10	.09	.09	.09
No	3.06	2.09	Wright-Hargreaves	25,005	2.64	2.84	2.62	2.71
			OIL STOCKS					
No	.19	.07½	Acme Gas & Oil	20,310	.09½	.13	.09½	.13
1	1.17	.60	Ajax	11,040	.70	.72	.65½	.70½
1	.12	.04½	Alta. Pacific	.....	.05	.....	.....	.....
1	.03½	.02	Askalta	.....	.03½	.....	.....	.....
No	.10	.03	Associated	.....	.05	.....	.....	.....
No	.04	.01	Baltac	.....	.02	.....	.....	.....
	.05½	.00½	Benton	.....	.00½	.....	.....	.....
1	.06	.02½	Brit. Dominion	.....	.03½	.....	.....	.....
No	.38	.14	Calgary & Ed.	.....	.15	.....	.....	.....
1	.09	.04	Calmont	.....	.04	.....	.....	.....
1	.11	.03	Common Pete	2,000	.05½	.05½	.05½	.05½
No	.20	.06½	Dalhousie	.....	.07	.....	.....	.....
No	.01	.01	Devenish	.....	.01	.....	.....	.....
No	.02	.00½	Dome Oil	.....	.00½	.....	.....	.....
No	.12½	.04	East Crest	2,000	.06	.06	.06	.06
No	.01½	.01½	Fabyan Pete	.....	.01½	.....	.....	.....
No	.10	.06	Foothills	.....	.06	.....	.....	.....
No	.03½	.02	Freehold	.....	.02	.....	.....	.....
1	.02	.00½	Great West	.....	.00½	.....	.....	.....
No	.06½	.03	Hargal	.....	.03	.....	.....	.....
No	.05	.02	High Sarcee	.....	.02	.....	.....	.....
No	.47	.15	Home	410	.20	.25	.15	.15
No	.05	.01½	Homestead	.....	.01½	.....	.....	.....
1	.50	.09	Homest'd O. & G.	2,300	.15	.17	.13	.15
1	.01	.00½	Illinois Alberta	.....	.00½	.....	.....	.....
No	.02½	.00½	Lethbridge	.....	.00½	.....	.....	.....
No	.04	.04	Lowery	.....	.04	.....	.....	.....
No	.02	.00½	Madison	.....	.00½	.....	.....	.....
1	.15	.05½	Mayland	1,300	.07	.07	.06½	.07
No	.04	.01½	McD. Segur Ex.	.....	.01½	.....	.....	.....
1	.04½	.01	McD. Segur N.	.....	.01	.....	.....	.....
1	.50	.18	McLeod	.....	.18	.....	.....	.....
No	.10½	.06½	Mercury	.....	.07½	.....	.....	.....
No	.08	.04½	Merland	.....	.06	.....	.....	.....
No	.15	.08½	Mill City Pete	.....	.08½	.....	.....	.....
1	.20	.12½	Model	.....	.13	.....	.....	.....
1	.05	.04	Monalta	.....	.05	.....	.....	.....
1	.07	.03	Moose Mountain	.....	.03	.....	.....	.....
1	.01	.01	New Federal	.....	.01	.....	.....	.....
5	.14	.01	Nordon	2,200	.03	.03½	.03½	.03½
No	.04½	.02	Oil Selection	25,300	.02½	.03½	.02½	.03½
No	.05	.02½	Okalta	.....	.03	.....	.....	.....
100	15.00	15.00	Do., Pref.	.....	15.00	.....	.....	.....
No	.28	.09	Olga Gas & Oil	95,650	.18	.28	.18	.27
No	.06½	.02	Penn. Pete	102,400	.04	.04½	.03½	.04½
No	20.00	20.00	PerfectionPete, Nfd	.....	20.00	.....	.....	.....
1	.28	.12	Petrol Oil & Gas	1,500	.12	.15	.15	.15
No	.14	.08	Ranchmen's	.....	.09	.....	.....	.....
1	.01	.00½	Regent	.....	.00½	.....	.....	.....
No	.02½	.01	Richfield	.....	.01	.....	.....	.....
No	6.65	3.95	Royalite	.....	4.00	.....	.....	.....
1	.12	.05	Sarnia Oil	1,700	.07	.08½	.08	.08
1	.03	.01	Signal Hill	.....	.01	.....	.....	.....
1	.20	.10	Spooner	.....	.10	.....	.....	.....
No	.11	.05½	Sterling Pacific	.....	.05½	.....	.....	.....
1	.11	.07½	Turner Valley	.....	.07½	.....	.....	.....
No	.08	.03	United	.....	.03	.....	.....	.....
1	.09½	.03	Vulcan	.....	.03	.....	.....	.....
No	.02	.00½	Wainwell	.....	.00½	.....	.....	.....
			VANCOUVER STOCK EXCHANGE (Transaction for Week to July 5)					
25c	.00½	.00½	Bayview	.....	.00½	.....	.....	.....
20c	.05	.03½	Beaver Silver	20,500	.03½	.04	.03½	.03½
25c	.02½	.01	Bluebird	.....	.02	.....	.....	.....
1	.12	.04½	Bridge River Cons.	1,000	.05½	.04½	.04½	.04½
25c	.01½	.01½	Cork Province	.....	.01½	.....	.....	.....
1	.13	.02	Cotton Belt	.....	.02	.....	.....	.....
	.01½	.01½	Dalhousie Mines	.....	.01½	.....	.....	.....
1	.45	.15	George Copper	.....	.20	.....	.....	.....
50c	.02	.01½	Geo. Enterprise	.....	.02	.....	.....	.....
1	.04½	.02	Georgia River	24,500	.02½	.02½	.02½	.02½
1	.24	.10	Golconda	1,000	.12	.12	.12	.12
50c	.08	.02	Grandview	.....	.02½	.....	.....	.....
1	.01	.01	Independence	.....	.01	.....	.....	.....
1	.01½	.01	Indian Mines	.....	.01½	.....	.....	.....
1	.12	.09	Inter. Coal	.....	.12	.....	.....	.....
1	.21	.21	Jack Waite	.....	.21	.....	.....	.....
25c	.00½	.00½	Kootenay King	.....	.00½	.....	.....	.....
1	.19½	.08	Lorne Gold	15,600	.08	.09	.08	.08½
10c	.02	.01	Lucky Jim	.....	.01	.....	.....	.....
5c	.12	.05½	Metaline Metals	.....	.05½	.....	.....	.....
1	.03	.00½	Morton Woolsey	.....	.00½	.....	.....	.....
50c	.03	.00½	National Silver	11,500	.01½	.01½	.01½	.01½
50c	.08½	.02	Noble Five	4,000	.03	.03	.02½	.02½
50c	.01	.00½	Oregon Copper	.....	.00½	.....	.....	.....
1	4.11	3.00	Pioneer Gold	900	3.35	3.60	3.35	3.50
50c	.08½	.02	Porter Idaho	2,500	.04	.04	.02	.04
No	.01	.00½	Premier Border	.....	.00½	.....	.....	.....
No	.28	.07½	Reeves McDonald	.....	.07½	.....	.....	.....
1	.52	.21½	Reno Gold	9,500	.38	.38½	.35	.37
1	.05	.02½	Ruth Hope	.....	.03	.....	.....	.....
1	.08½	.02½	Silverado	.....	.03½	.....	.....	.....
25c	.02	.01	Silver Crest	.....	.01	.....	.....	.....
50c	.01½	.00½	Snowflake	.....	.00½	.....	.....	.....
20c	.02½	.01	Wellington	.....	.01	.....	.....	.....
1	.04	.01	Whitewater	.....	.00½	.....	.....	.....
No	.00¾	.00½	Woodbine	.....	.00⅛	.....	.....	.....

DIVIDEND PAYERS

Company	Rate	Yield	Company	Rate	Yield
Ajax Oil	3c.	....	Petrol Oil	1c.	....
Dome Mines	$1+20c.	10.66	Premier	12c	26.08
Hollinger	65c.	12.74	Pioneer, B.C.	12c.	3.43
Howe Sound	$1	....	Royalite	50c.	....
Lake Shore	$2+50c.	8.69	Siscoe	4c.	....
McIntyre	$1.50	8.49	Sylvanite	4+½c.	7.89
McLeod Oils	5c.	....	Teck Hughes	60c.	13.78
Noranda	50c.	3.17	Wright-Har.	10c.	3.69

"My Grandmother had Sixteen children" began Mr. Picobac

"YES, SIR," said Mr. Picobac, lighting his pipe. "Nine boys and seven girls."

He shook out the flame of his match with a twist of his wrist.

"It was hard work that killed off the pioneers," continued our philosopher of the Lake Erie tobacco belt. "Hard work and big families. But it killed them off tolerably slow. My grandmother died at 76, my grandfather at 94." Mr. Picobac chuckled. "The land my grandfather cleared to grow wheat," continued he, "grows burley tobacco today—a burley just as good as Kentucky ever saw—Picobac."

• • •

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Province of Quebec Borrows from Banks

From Our Own Correspondent

MONTREAL. — The Province of Quebec has completed negotiations with the Banque Canadienne Nationale and the Bank of Montreal for a short-term temporary loan of $9,000,000. The loan will be guaranteed by treasury notes and will be repaid from consolidated revenue of the province.

No bonds will be placed on the market; the negotiations were purely of an internal character.

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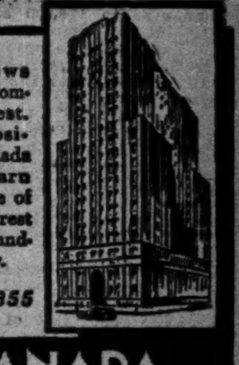

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Canadian Mining News

MINING MEN TALK PLANS TO COMBAT SILICOSIS INROADS

Workmen's Compensation Act Makes It Necessary to Debar Afflicted

By B. F. TOWNSLEY,
Mining Editor, The Financial Post

TIMAGAMI, ONT.—Silicosis was the most important problem discussed by the Ontario Mining Association at its annual meeting held at Lake Timagami last week.

This mining disease is causing mining men real concern, not only for the inroads it is making on miners but also for its increasing expense through the Workmen's Compensation Act. The situation has become more involved as it has been demonstrated that miners affected with tubercolosis are especially susceptible to silicosis which often quickly leads to an advanced stage of the disease. Furthermore, a miner with tubercolosis often has his affliction before he joins a company and it is impossible to determine whether his case would not normally reach this stage had he not been engaged in mining, the result being that compensation is granted and the mining industry has to bear the expense.

Must Debar T.B. Victims

When a miner is declared totally disabled, a high proportion of his earnings continue and in event of death his dependents receive the compensation—in some cases individual compensation reaching close to $20,000.

In South Africa it has been demonstrated that certain races are more susceptible to silicosis than others and these are not employed as miners owning to their national tendency toward tubercolosis.

The association has appointed a committee of three from each of the three leading mining camps in Ontario—Sudbury, Porcupine and Kirkland Lake, as well as two to represent the other mining areas, that some plan can be formulated to further combat the disease. One likely result of the committee's investigation is thought to be a more strict medical examination of miners for tubercolosis. Any evidence of this disease will debar a man from mining as the industry must curb the rapidly increasing expense now prevailing.

McIntyre Mine Sinking Winze 6,750 ft. Level

McIntyre-Porcupine Mines will sink a winze 3,000 ft. below the 3,750-ft. level, thus making McIntyre as deep as Teck-Hughes. This sinking job was planned in 1931 to follow a newly discovered intersection 64 ft. wide of quartz, on the 3,750-ft. level. The quartz there is in porphyry and it was expected it would pass into the underlying basic schists and have a chance of making ore at about 5,000 ft.

Then came the discovery of a new vein system in the Platt Vet lot, south of the wide quartz showing, which in turn is south of the No. 11 shaft. The winze will be put down midway between the two discoveries and at a point something more than 2,000 ft. south of the No. 11 shaft. It will be a four-compartment internal shaft and will be equipped with hoisting engines capable of hoisting 1,500 tons in 16 hours. The winze will explore and develop the underground reaches of both the wide quartz vein (No. 20) and the Platt Vet system (No. 22).

The work done by McIntyre on the No. 22 vein, between the 3,875 and 3,625, may indicate that they are here at the apex of an important lens of ore.

Radium Recovery Plant Will Produce Before 1933

Gilbert La Bine Says Silver Ore From Great Bear Lake Will Be Shipped to U. S. or B. C. Refineries

Building will begin on Eldorado Gold Mines Ltd. plant for recovery of radium near Toronto within another fortnight, according to Gilbert LaBine, general manager. The plant will incorporate the recommendations of M. Pochon, radium expert retained by the company as plant manager, and the laboratories of the department of mines at Ottawa. The first refined radium is expected to be ready for the market before the end of 1932.

Treatment of silver that is contained in the pitchblende ore itself and which cannot be separated by hand-sorting is provided for. Silver ore will be shipped to existing silver refineries either in the United States or British Columbia. No tariff exists on ore shipped into the United States for treatment.

Will Ship 50 Tons

Mr. LaBine thinks the pitchblende ore should average 40 per cent uranium oxide or better as it is all in concentrated form. At least 50 tons of this ore will be shipped out before the ice comes, giving the company a supply of 70 tons, including the tonnage stored at Ottawa. This will be sufficient for milling purposes until the spring break-up. The company has shipped into the camp 2,000 more bags and the volume of silver ore to be shipped out this year depends on how much more can be bagged in time for shipment before the close of navigation.

Open Up New Veins

Mr. LaBine stated that the silver ore bagged averages approximately 8,000 ounces to the ton. Over 600 bags of pitchblende and silver have been filled and are ready for shipment now.

Before the end of August actual work in driving a tunnel from the face of the cliff to open up Nos. 1 and 2 pitchblende-silver veins at the Echo Bay property will be started.

Included in the complete mining equipment, which is en route to the property at Great Bear Lake are compressor, engine, hoisting machinery, drills, boilers, etc., adapted to fuel oil to be supplied from Fort Norman. These will help to carry forward tunnelling and shaft-sinking.

The distance from the tunnel-mouth to the No. 1 vein is about 350 feet. On reaching the ore bodies, drives will proceed along the veins. By this work veins will be tapped 100 feet or more below the surface.

The high-grade Bonanza claims, six miles south of Echo Bay, will also be opened this year.

Canada's Gold Production Made Big Leap in 1931

Exchange Premiums Gave Good Addition to Sums Received at Par By Companies—Gold Output Was $55,687,688

As stated in The Financial Post of July 9, production of gold during 1931 from all sources in Canada amounted to 2,693,892 fine ounces valued at $55,687,688 as compared with an output of 2,102,068 fine ounces valued at $43,453,601 in 1930.

A bulletin of Dominion Bureau of Statistics indicates that the total 1931 production was recovered from the following sources: fine gold contained in crude bullion made by gold mines, 21,170,923 fine ounces; alluvial gold, 58,203 fine ounces; fine gold in blister copper and base bullion made at Canadian smelters, 387,346 fine ounces, the estimated recovery of gold in ores, matte, slags, residues and concentrates exported to foreign metallurgical plants, 77,420 fine ounces.

Six provinces and the Yukon Territory produced gold in 1931 as follows: Nova Scotia, 460 fine ounces; Quebec, 300,075 fine ounces; Ontario, 2,085,814 fine ounces; Manitoba, 102,969 fine ounces; Alberta, 195 fine ounces; British Columbia, 160,069 fine ounces; and the Yukon, 44,310 fine ounces.

In order to meet maturing obligations abroad and because the Canadian dollar had a heavy discount in New York the Canadian Government took steps to purchase the gold production of the larger Canadian mines and after October, 1931, exports of gold from Canada were permitted only under license. Canadian auriferous quartz mines producing and shipping bullion in Canada received $1,894,049 in premium payments during 1931. The relation of this to the value in New York of the Canadian dollar may be seen from the following table:

Canadian Dollars in U. S. Money

	1930	1931
January	1.01345	1.0020
February	1.00599	1.0002
March	1.00209	1.0002
April	1.00043	1.0004
May	1.00172	1.0005
June	1.000	1.0026
July	0.99914	1.00321
August	0.99901	1.00304
September	0.99838	1.04293
October	0.99889	1.12370
November	0.99891	1.12342
December	1.0023	1.21048

Imports and Exports of Gold

	1930 $	1931 $
Imports:		
Coins and bullion:		
Coins, British, Canadian and foreign gold coins	38,414,506	1,646,990
Gold bullion in bars, blocks, ingots, drops, sheets or plates, unmanufactured	705,782	391,003
Total	39,120,288	2,037,993
Gold, other, including gold fringe, leaf, sweepings, electro-plated ware, medals and manufactures, n.o.p.	1,231,531	714,335
Exports:		
Coin and bullion:		
Gold coin:		
Canadian	750	920
Foreign	18,004,160	37,439,464
Gold bullion:		
Canadian	....	31,887,899
Foreign	....	....
Total—Canadian	750	31,888,819
Foreign	18,004,160	37,439,464
Total coin and fine gold bullion	18,004,910	69,328,283
Gold-bearing quartz, dust, nuggets and crude bullion obtained direct from mining operations	22,312,605	17,682,563
Jewellers' sweepings (gold, silver and platinum)	380,379	234,276
Total	22,692,984	17,916,839

Tailings

Gross production in Texas of British American Oil Producing Co., subsidiary of British American Oil Co., Ltd., in the first quarter of 1932, amounted to 176,990 barrels, valued at $144,110. British American Oil Co. has also nine producing wells in the Oklahoma City field, with a large daily output, notwithstanding severe proration.

* * *

Chatham Oil Company, subsidiary of Ajax Oil and Gas Co., Ltd., had production of 7,813 barrels from its Texas wells in the first three months of 1932, valued at $6,585. This company also has substantial production in the Oklahoma City Field.

* * *

Petrol Oil and Gas Co. sales from wells in the Brantford Indian Reserve for the period May 20 to June 20, of 5,664,000 cubic feet of gas, mark a slight increase from the previous 30-day period. Output from the company's wells in the Dover field totalled 6,300,000 cubic feet, a gain of 300,000 cubic feet. With the price of gas in the Brantford field at 30 cents per 1,000 cubic feet and that of the Dover district 25c. Petrol showed earnings from the two centres of approximately $3,275 for the periods under review. In addition it received its royalty from the Ajax Company from the latter's production in the Brantford district.

* * *

McLeod River Mining Corp. Ltd., expects to have its first dredge in operation by July 20, according to a statement attributed to L. E. Drummond, engineer in charge of development at the property.

* * *

No further distribution will be looked for by bondholders of Tough-Oakes-Burnside, it is understood, than the 40.34 per cent dividend just being made by Chartered Trust & Executor Co. to bondholders. This represents the proceeds of the sale of the assets which came into the hands of the trustee company. This is somewhat in excess of what had at first been expected and, therefore, any further distribution is very doubtful.

* * *

Blister Copper stocks, which had been accumulating for more than a year in the yards of the Ontario Refining Co., were reduced 50 per cent by shipments made during the month previous to June 21, the date on which the United States tariff of four cents a pound against copper imports became formally effective.

* * *

Acme Gas & Oil Co. is reported to be earning at present in excess of $10,000 monthly. It has one well in the Oklahoma City field and two wells in East Texas with one drilling.

It also reports an encouraging position in its Ontario wells. The production from these wells is sold to Dominion Natural Gas Co. Its first quarter in Texas is said to have shown an output of 13,976 barrels valued at $11,600.

* * *

Hylo Oils is reported to have brought in its No. 1 well in the South Turner Valley field with a large production of wet gas. Preliminary tests on the separator, without pressure, yielded around 200 barrels of naphtha per day. It is expected that the application of pressure will bring output to at least 300 barrels daily. The well came in at a depth of 5,670 feet, or 170 feet in the lime. A test made in the Home sands at 4,965 feet showed crude production of 30 to 95 barrels daily.

* * *

An important gold discovery by George McCullough in South Goudreau is reported to be six feet in width and has been traced 1,000 feet. An engineer of the Dyment interest has taken samples from the new vein, which are very rich, the report says.

* * *

Holdsworth property at Michipicoten, operated by the Soo Mining & Prospecting Syndicate, has produced its first gold brick from the mine valued at around $250. Soo mining gives Algoma its third producing mine, shipments having been made regularly for some time from the Parkhill and Minto mines. Total production from the district is said to be about $500,000. The Holdsworth has a small mill with a capacity of five tons of ore a day and expects to ship gold at regular intervals hereafter. Work at the property has been under way by the syndicate for a year.

* * *

Actual construction of mine buildings at the property of Beattie Gold Mines in Duparquet township, northwestern Quebec, is expected to commence immediately. More rapid progress is expected with the prospect shaft and a study is now taking place of the massive low grade deposits on the Beattie property with the object of determining the best method of handling.

* * *

Granada Gold Mines is obtaining good results from its new cyanide unit at its mill, officials state. At present Granada's gold production is running at about $30,000 per month, showing net returns of $10,000 to $15,000. Officials also report good results in the deep development campaign. Work has been carried to a depth of 1,075 feet, and it is the intention to open up new levels more extensively without delay. Officials look for greatly increased ore reserves as the present programme advances.

* * *

P. A. Dyment and Toronto associates, who control the Cline mine in the Goudreau district, plan to form the Dyment Mining and Exploration Co., Ltd., to operate the Cline and other properties which may come under control of the group. It is reported that this group has acquired a property under option in the Tashota field. Present plans are for small mill installations on both the Cline and the Tashota property if the latter proves up as expected.

* * *

Shareholders of Lowery Petroleums at a special meeting on July 11 ratified the proposal to sell 250,000 shares of Southern Lowery Oils, owned by Lowery Petroleums for 10,000 shares of the capital stock of Royalite Oil Company. As last reports showed 500,000 shares of Lowery Petroleums shares outstanding, the ratio of Royalite shares to be received to stock of Lowery outstanding is 1 in 50. Directors of Lowery propose to distribute the Royalite shares to holders of Lowery shares at an early date.

* * *

Reorganization of Canusa Mining and Exploration Co. as Canusa Gold Mines, Ltd., has been completed and new directors elected, according to Detroit advices. Officials are: D. D. Wessels, president; Robert Schram, vice-president; George Miller, secretary; and J. C. Hodge, representing the McLean interests, who is undertaking financing of operations, treasurer. It is expected operations will be commenced at the company's South Porcupine property almost immediately, and an aggressive campaign of development is being outlined. Authorized capital was reduced from $3,000,000 to $1,000,000 and increased to $1,500,000 in $1 par shares.

Coniaurum Declares Initial 3-Cent Dividend

The declaration by Coniaurum Mines Ltd. directors of an initial dividend of three cents per share payable August 15 to shareholders of record August 1, will necessitate payment of $81,000 on the 2,697,447 shares outstanding. Ventures with its holdings of 1,500,000 shares will get $45,000 of this. Ventures has also options on additional blocks of shares.

Reports indicate Coniaurum to be currently treating 400 tons of ore daily and getting a return of about $7 a ton. The premium paid on gold is understood to have given the company in the last six months about $50,000 extra.

Canada's Gold Mines Rank Among Largest

Out of the seven largest gold producing mines in the world, Canada has two, the Lake Shore and the Hollinger, as shown by a table on this page.

The individual mine which had the largest output in 1931 was the Government Gold of South Africa with 1,129,872 fine ounces. The next three were the Crown Mines, the New Modderfontein and the Randfontein, all of South Africa. The Lake Shore of Canada was fifth with 533,757 ounces and the Hollinger seventh with 487,123. The Homestake Mining of the United States was ninth with 432,381.

In the first thirty greatest producing mines of the world, South Africa had 24, Canada 5 and United States 1.

Noranda's Gold Now Estimated At $85,000,000

Noranda Mines is producing gold in excess of $7,000,000 per annum, J. Y. Murdoch, president, states.

Noranda has approximately $85,000,000 in gold in sight and indicated down to 2,500 feet, with diamond drill information 200 feet below this horizon but it is impossible to state what will be found at greater depths. From work already done and from ore reserves indicated, it would appear that Noranda has enough gold ore to keep its plant going at its present rate for at least 10 years.

Noranda's Smelter is running to capacity. It is the intention of Noranda to continue producing gold at its present high rate and hold copper output to a minimum.

New hoisting equipment has been installed in the No. 4 shaft, and it is the intention to link up the No. 3 and 4 shafts on the 2,500-foot level. The present programme also calls for sinking the No. 4 shaft to a depth of 4,000 feet. Good progress also is reported in connection with improvements at the concentrator. When these have been completed, early in 1933, Noranda will be well equipped to handle a larger tonnage of low grade ore.

Alberta Oil Concerns Charged By Province

Failure to comply with orders of the Alberta gas conservation board has been charged by the attorney-general against seven Turner Valley Oil companies, as follows: Spooner Oils Ltd.; Richfield Petroleums, Ltd.; Wellington Oils, Ltd.; New McDougall-Segur, Ltd.; Structure Oil and Gas Company, Ltd.; Widney Oils, Ltd.; Okalta Oils, Ltd.

The companies will be prosecuted immediately, it was intimated, and if convicted will be subject to penalties of a fine of $500 for the first day and 100 each succeeding one they fail to comply with the board's orders.

The board ordered all wells shut down until such time as the conservation board staff can allot them an output in keeping with the board's plan to conserve gas in the valley.

The attorney-general claims the companies failed to comply with the board's production allotment as from June 24 to July 6. It was on June 24, Mr. Justice Ewing dismissed an action brought by Spooner Oils Ltd., against the attorney-general and the Turner Valley Gas Conservation Act.

Turner Val. Field Wastes Ten Billion C. Ft. in May

Canadian wells produced 1,760,161 thousand cubic feet of natural gas in May; during April, 2,353,619 thousand cubic feet were produced and in May, 1931, the production was 2,036,090 thousand cubic feet.

The Turner Valley gas-oil ratio in May was 139,000 cubic feet per barrel of naphtha produced as compared with 167,000 cubic feet in the preceding month. According to the Alberta department of lands and Mines, approximately ten billion cubic feet of natural gas were wasted in the Turner Valley field during May.

Imports of mixed gas (natural and artificial) into Canada amounted to 12,473 thousand cubic feet at $8,982, as against 14,967 thousand cubic feet at $10,684 imported in April.

Sherritt-Gordon Costs Low When Mill Closed

During May, Sherritt - Gordon, whose mill closed down June 20, had its record copper production with 2,003,000 lbs. The milling rate jumped to 1,018 tons a day and costs for mining and milling dropped to $1.97 a ton.

Tons treated, 31,558; per day, 1,018; copper produced, 2,003,000 lbs.; gold 572 oz.; silver, 17,428 oz. Recovery, 95.1 per cent; grade of concentrates, 24 per cent.

Operating costs, including development, mining and hoisting, crushing and conveying, milling and general expenses, but not head office, were $1,976 per ton of ore milled.

Parkhill Gold Mine Treats 65 Tons Daily

Parkhill Gold Mines is reported to be producing at the rate of $25,000 to $30,000 monthly from a daily treatment of 65 tons. This output is being obtained from a 50-ton mill put in operation about a year ago

The Parkhill main shaft is down 537 ft. with levels established at 120, 240, 360 and 480 ft. Lateral work east of the shaft has opened up three ore bodies and one is under development west of the shaft. The three ore bodies east of the shaft have been developed on all levels down to 360 ft. and the No. 1 vein system to the west has been picked up on all levels. On the 480 ft. horizon No. 1 vein system was located about 100 ft. from the shaft and followed 100 ft. with the face of the drift still in good ore. On the 480 ft. level the No. 2 vein on the east has also been located.

Estimates are that about five months' ore are ahead of the mine. A sixth level will be opened up at 750 ft. and extensive drifting occur.

With the new electric hoist recently ordered the company will be in a position to carry work to a depth of 2,000 ft., if necessary. It is planned to enlarge the programme of mine development.

Metal Prices

New York—July 12.
Copper: Electrolytic spot, 5⅝c. lb.
London—July 12.
(Long Ton)
Copper: Electrolytic spot, £30 10s.; future £31. Standard spot, £26 15s.; future, £26 10s.
Tin: Spot, £127 10s.; future, £128 15s.
Lead: Spot, £10 2s. 6d.; future, £10 10s.
Zinc: Spot, £11 10s.; future, £12.
Silver: 17d. per ounce.

SALES IN REGINA OF RETAIL GROUPS OVER $32,000,000

Dominion Census Uncovers Data on Merchandising and Service

Regina is the fourth city on which the report of the census of retail merchandising and service establishments for 1930 has been published. Reports of the retail trade of Ottawa, London and Winnipeg have been summarized in previous issues of The Financial Post.

Retail business for Regina during 1930 totalled more than $32,000,000. There were 496 retail stores with sales of $30,172,500 and 210 service establishments with gross receipts of $2,360,500.

Grouped according to type of merchandise sold, the general merchandise group, which includes departmental stores, leads all other groups by a wide margin with sales of $11,334,500, or more than 37 per cent of retail sales. The automotive group ranks second in Regina with sales of $3,465,500, being about $270,000 above the food group. Food outlets easily lead in number of stores with 155 followed by apparel with 49 stores.

In the general merchandise group of 29 stores are included 19 departmental stores with sales of over $100,000 each, having a total of 967 employees and aggregate sales of $10,431,300. In the apparel group, men's clothing and furnishing stores lead with sales of $367,500, to which may be added men's and boys' clothing, furnishing and hats and caps stores with total sales of $310,200. Women's ready-to-wear clothing is second in this group with sales of $351,800.

Ten stores in the automotive group, chiefly engaged in the sale of automobiles, account for the majority of sales in this group with $2,412,900 out of $3,465,500. Among miscellaneous, the most important group is engaged in the sale of coal, wood and ice, total sales for 22 establishments being $1,294,600. Nine stores, four of which sell machinery, three farm implements and two feed, account for $1,153,900 of the miscellaneous total.

Independents Lead

Analysis of types of retail organization engaged in retail merchandising in Regina disclose that of the 496 stores, 386 are independents, 60 are units of sectional and national chains, 27 are local mutli-unit, five are in a local chain and 18 are single store independents in co-operative buying organizations. The independents do about half of the total business with sales of $14,281,200, while the national chains have sales of $10,715,000.

Amusements lead the service establishments, 18 units having receipts of $735,600, of which eight motion picture houses accounted for $643,200. The domestic service group embraces 39 establishments having receipts of $554,200.

Wages and salaries paid to employees and wage earners in retail and service establishments totalled approximately $4,474,000 distributed among 3,820 persons. The Bureau points out that these figures include both full and part time employees and also proprietors and firm members receiving a fixed salary so that the figures do not provide a basis for correctly computing average wages, average sales per employee or rate of stock turn. In later reports the bureau will present the data in greater detail so that more accurate comparisons can be made.

Hotel Statistics

Statistics of hotels operating in Regina are given as an addition to the report and show that 16 hotels, having a total of 1,250 guest rooms, had total receipts of $1,020,307 in 1930. Room rents accounted for $417,407 of the total receipts, meals for $438,776 and $164,124 came from other sources. The hotels employed 387 persons who received $376,507 in salaries and wages.

Summary of Principal Retail Merchandising Groups

	No. of Stores	No. of Employees*	Salaries & Wages	Net Sales§ (1930)	Stocks on hand end of year (at cost)
Automotive	43	333	$515,900	$3,465,500	$ 331,500
Food	155	269	232,400	3,197,000	202,800
General merchandise	29	1,082	1,253,300	11,334,500	2,055,200
Apparel	49	159	213,900	1,698,200	599,600
Lumber	32	204	348,200	2,147,500	410,300
Furniture	7	37	47,800	270,600	67,900
Restaurant	44	362	305,600	2,479,200	41,400
All other	137	596	787,600	5,580,000	1,025,500
Total	496	3,042	3,704,700	*30,172,500	4,734,200

§ Included in these figures is $166,400 which represents service receipts in merchandising establishments.

* To these sales may be added $83,100 retail sales made by wholesalers in Regina.

Leading Retail Merchandise Outlets in Regina, 1930

	No. of Stores	No. of Employees*	Salaries & Wages	Net Sales (1930)	Stocks on hand end of year (at cost)
1 Departmental	19	967	$1,135,300	$10,431,300	$1,880,600
2 Motor vehicles	10	185	295,700	2,412,900	246,900
3 Liquor stores	4	47	83,900	1,460,900	16,700
4 Lumber & bldg. materials	12	87	146,900	1,440,500	272,800
5 Coal, wood and ice	22	161	178,300	1,294,600	50,600
6 Grocery stores, without meat	71	86	65,800	1,210,800	88,400
7 Machinery, farm impl. & feed	9	71	96,300	1,153,900	159,600
8 Restaurants	32	296	210,500	948,800	20,000
9 Dry goods & general stores	10	15	118,000	908,200	174,500
10 Meat & fish markets	30	79	77,200	826,900	52,900

Summary of Principal Service Groups

	No. of Estab.	No. of Employees*	Salaries & Wages	Receipts† (1930)	Stocks on hand end of year (at cost)
Amusements	18	161	$168,800	$ 735,600	$ 2,700
Cartage and storage	9	74	83,700	206,700	200
Domestic service	39	248	223,500	554,200	3,800
Personal services	49	118	105,100	262,000	2,200
Photography	8	17	15,900	55,400	4,300
Repair shops	65	54	59,400	226,700	27,200
Transportation	8	60	53,700	119,400	....
All other	14	46	59,200	200,500	9,800
	210	778	769,300	2,360,500	50,200

† Included in these figures is $81,400 which represents merchandise sales in service establishments.

Types of Organization For Retail Merchandising

	No. of Estab.	No. of Employees*	Salaries & Wages	Net Sales* (1930)	Stocks on hand end of year (at cost)
Single store independents	386	1,625	$1,959,200	$14,281,200	$2,383,500
Single store indep. in co-op. buying organ.	18	36	28,300	468,300	22,500
Local multi-unit	27	475	603,900	4,708,000	912,600
Local chains (4 stores & over)	5				
Sectional & national chains	60	906	1,113,300	10,715,000	1,415,600
	496	3,042	3,704,700	30,172,500	4,734,200

* The number of employees includes those working both full time and part time and also proprietors and firm members receiving a fixed salary, therefore, the amount of salaries and wages represents the total wages bill. The figures given do not provide a basis for correctly computing average wages, average sales per employee, or rate of stock turn. In later reports the data will be presented in greater detail and more accurate computations may be made.

World's Leading Gold Mines, 1931 (x)

Arranged in order of output

Name	Location	1931 Production Gold, Oz.	1931 Production Ore, Tons	Dividends 1931
Government Gold (a)	Union of S.A.	1,129,872	2,435,000	£1,260,000
Crown Mines (a)	Union of S.A	986,829	3,136,000	£ 660,144
New Modderfontein (a)	Union of S.A	805,560	1,965,000	£1,610,000
Randfontein (a)	Union of S.A	745,313	2,751,000	£ 101,589
Lake Shore (b)	Canada	533,757	816,580	$4,800,000
East Rand Pty. (a)	Union of S.A	501,085	1,865,200	£ 75,000
Hollinger (b)	Canada	487,123	1,640,705	$3,444,000
New State Areas (a)	Union of S.A	479,205	958,000	£ 976,621
Homestake Mining (c)	United States.	432,381	1,403,939	$2,122,302
Brakpan Mines (a)	Union of S.A.	414,539	1,138,500	£ 408,000
Springs (a)	Union of S.A	413,688	843,000	£ 581,250
Sub Nigel (a)	Union of S.A	352,624	410,700	£ 487,500
Robinson Deep (a)	Union of S.A	334,457	1,158,000	£ 155,052
Geduld Propriety (a)	Union of S.A.	323,616	1,012,000	£ 493,029
Langlaagte Estates (a)	Union of S.A	317,659	943,000	£ 303,966
Teck-Hughes (b)	Canada	294,422	444,410	$3,118,144
West Rand Consolidated	Union of S.A.	287,225	1,066,000	....
Consolidated Main Reef (a)	Union of S.A	271,140	795,000	£ 151,542
Van Ryn Deep (a)	Union of S.A.	268,940	753,000	£ 299,223
Modder Deep (a)	Union of S.A.	268,790	533,800	£ 600,000
Modder B (a)	Union of S.A.	264,895	887,000	£ 420,000
City Deep (a)	Union of S.A	264,018	1,021,000	....
Simmer & Jack (a)	Union of S.A.	262,548	926,800	£ 41,667
Modder East (a)	Union of S.A	255,903	865,500	£ 186,161
Noranda Mines (cn)	Canada	253,363	1,012,005	$1,119,886
Nourse Mines (a)	Union of S.A	248,329	827,600	£ 58,774
McIntyre-Porcupine (c)	Canada	229,413	617,425	$ 798,000
West Springs (a)	Union of S.A	210,498	851,800	£ 134,475
Geldenhuis (a)	Union of S.A	198,843	861,900	£ 56,666
Durban Roodepoort (a)	Union of S.A.	183,020	565,200	£ 56,250
Alaska Juneau (c)	United States.	178,532	4,162,350	$ 584,950
Ashanti Goldfields (d)	Gold Coast	172,683	147,104	£ 337,500
Kilo-Moto Gold (e)	Belgian Congo	170,003	(f)	19,431,267 fr.
Dome Mines (c)	Canada	169,686	542,600	$ 953,334
Rose Deep (a)	Union of S.A.	153,028	741,500	£ 16,577
Witwatersrand Gold (a)	Union of S.A	146,423	717,500	£ 23,481
Lake View & Star	Australia	143,493	231,873	....
Wright-Hargreaves (c)	Canada	140,520	266,352	$ 825,000
New Kleinfontein	Union of S.A.	124,782	611,200	....
Cam & Motor (d)	Rhodesia	123,339	298,000	£ 150,000
Van Ryn Estate (a)	Union of S.A	122,488	530,500	£ 31,250
St. John del Rey (d)	Brazil	115,473	221,800	£ 67,598
Witwatersrand Deep	Union of S.A.	103,767	442,900	....
Mysore Gold (d)	India	96,042	182,731	£ 43,005
Empire Star (c)	United States.	96,000 (g)	214,734	$ 95,010
Luipaards Vlei	Union of S.A	94,471	374,500	....
Phelps Dodge (cq)	United States.	90,720	(l)	$4,210,892
Premier Gold (ch)	Canada	82,394	242,317	$ 635,713
Benguet Consolidated (c)	Philippines	80,608	112,524	$ 850,000
Nundydroog (d)	India	79,836	123,039	£ 63,675
Boliden	Sweden	78,200	90,057	....
Waihi Gold (dh)	New Zealand.	75,468	223,722	£ 95,181
Great Boulder Pty. (d)	Australia	73,904	120,140	£ 21,875
Natomas Dredging	United States.	70,000 (g)	(l)	....
Balatoc Mining (c)	Philippines	68,085	57,675	$ 675,000
Globe & Phoenix (d)	Rhodesia	65,865	72,512	£ 80,000
Champion Reef (d)	India	65,719	98,930	£ 26,000
Ooregum (d)	India	63,023	135,095	£ 6,000
Transvaal Gold (a)	Union of S.A.	60,295	190,216	£ 21,449
Wiluna Gold	Australia	58,898	215,833	....
East Geduld	Union of S.A.	56,003	231,700	....
Oriental Consolidated (c)	Chosen	54,987	(l)	$ 429,390
Meyer & Charlton	Union of S.A.	49,080	206,120	....
Eureka Standard (c)	United States.	48,207	36,622	$ 179,951
Yuba Consolidated (j)	United States.	47,006	14,446,498 (i)	(l)
Boulder Perseverance	Australia	45,500	84,270	....
South Kalgurli (d)	Australia	44,900	101,171	£ 31,125
Sylvanite Gold (c)	Canada	43,437	91,621	$ 131,980
Taquah & Abosso (d)	Gold Coast	42,922	120,053	£ 24,125
Wanderer Consolidated	Rhodesia	42,248	(l)	....
Sons of Gwalia	Australia	41,900	150,564	(o)
Howey Gold	Canada	41,702	211,552	....
Chosen Corporation (k)	Chosen	39,349	115,100	....
Cresson Consolidated (c)	United States.	38,835	80,479	$ 48,800
Lonely Reef (d)	Rhodesia	38,264	255,675 (o)	£ 57,859
Frontino Gold (dk)	Colombia	37,130	36,140	£ 7,688
Grand Lacs Africains (e)	Belgian Congo	36,940	(l)	1,400,000 fr.
Coniaurum	Canada	36,278	130,585	....
Siscoe Gold	Canada	35,936	55,675	(m)
Idaho-Maryland	United States.	33,400 (g)	54,000 (g)	....
Rezende Mines (d)	Rhodesia	32,557	76,400	£ 37,500
Shenandoah-Dives	United States.	30,561	170,795	....
Pioneer Gold (b)	Canada	30,000	34,000	$ 155,840
Kirkland Lake Gold	Canada	28,315	52,628	....
Elkoro Mines	United States.	28,000 (g)	(l)	....
Sherwood Star (d)	Rhodesia	27,450	55,200	£ 30,000
Balaghat Gold	India	25,835	41,850	....

(a) Pays dividends in South African pounds, which are still at par of $4.86, U. S. currency.
(b) Pays dividends in Canadian dollars, which, since last September, have fluctuated between 85c and 90c U. S. currency.
(c) Pays dividends in U. S. currency.
(d) Pays dividends in English pounds, which, since last September, have fluctuated between $3.40 and $3.90.
(e) Pays dividends in Belgian francs, worth 2.78c. U. S. currency. Dividend paid in 1931 was out of profits for 1930. Previous year not available.
(f) Handles both alluvial and lode material, so no tonnage figure can be given.
(g) Official data unobtainable. Estimated.
(h) Also an important silver producer, but gold is most valuable product.
(i) Cubic yards of gravel dredged.
(j) Year ended February 28, 1931.
(k) Year ended June 30, 1931.
(l) Not available.
(m) Initial divd. of 4c a share on 4,000,000 shs. paid in March, 1932, out of 1931 profits.
(n) Also an important copper producer, but gold was most valuable product in 1931.
(o) Ore and tailing treated.
(q) Primarily a copper producer; figures include Calumet & Arizona statistics.
(x) Taken from "Engineering and Mining Journal," April, 1932—S. D. Strauss.

ANTIPODES CITIZENS HERE FOR PARLEY

Strong Delegation from New Zealand and Australia

Headed by Stanley M. Bruce and W. Downie Stewart, strong delegations of officials and industrialists reached Vancouver this week from the Antipodes.

Australia's delegation, headed by Stanley Melbourne Bruce, Assistant Treasurer, and H. S. Gullett, Minister of Trade and Customs, includes Dr. A. E. V. Richardson, Director of the Waite Agricultural Institute; E. Abbott, Deputy Comptroller-General of Customs; J. F. Murphy, Chief Investigation Officer of the Development Branch; A. C. Moore of the Trade and Customs Department; L. E. Stevens, and C. B. Carter of the Department of Commerce; and Mrs. F. M. Grant, private secretary to Mr. Gullett.

In addition are the following representatives of industry and commerce acting as advisers; R. W. Knox, Melbourne Chamber of Commerce; H. W. Osborne, Western District Co-operative Insurance Company; F. H. Tout of the Graziers' Association, and M. B. Duffy of the Commonwealth Bank Board.

Hon. W. Downie Stewart, Minister of Finance, and J. G. Coate, Minister of Transport and Employment, with Dr. G. Craig, Comptroller of Customs, and A. D. Park, Secretary to the Treasurer, are the officials heading the New Zealand representatives. There are also representatives of dairy produce, meat and fruit control boards and farmers' and manufactures' associations of New Zealand. These include D. Jones, Meat Producers' Board; H. E. Napier, Fruit Growers' Federation; G. W. Reid, Manufacturers' Association, and his wife; W. Goodfellow, Dairy Produce Board. Sir Francis Boys, head of the farmers' association, who has been in England, will join the delegation at Ottawa.

Halifax Business Shows Increase

A statement by the Halifax Harbor Commissioners shows business increasing at the port. From the beginning of the year to June 17, imports amounted to 160,543 tons, compared with 171,676 tons in the similar period of 1931, while exports amounted to 220,730 tons, compared with 182,165 tons.

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